

Southern California Gas Company Energy Efficiency Annual Report 2006 Results



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2006 ENERGY EFFICIENCY PROGRAM PORTFOLIO SUMMARY

Executive Summary

Overview

Southern California Gas Company's (SoCalGas) 2006 portfolio of programs included local and statewide efforts, city and county partnerships and competitively bid third party programs. Although SoCalGas' focus was on achieving energy and peak demand reductions, the 2006 portfolio also included Customer Information/Education and Marketing and Outreach programs.

Residential Programs

Single Family Home Energy Efficiency Retrofit

In 2006, program strategies contributing to portfolio energy savings were the result of traditional marketing of mail-in rebates offered on clothes washers, dishwashers, and attic and wall insulation. Additionally, the offering a Point-of-Purchase rebate program was virtually unchanged to the customer, but simplified for the retailers. SoCalGas made improvements to its Rebate program webpages that seem to help customers navigate through, resulting in a strong likelihood that volume in the 2006 program was tied to the improvements in the Single Family webpage.

Multi-Family Energy Efficiency Retrofit

Increased Customer Communication efforts were the focus of 2006. Typically, owners and managers of multifamily properties have been an underserved customer segment due to the lack of knowledge that the program existed. Efforts to increase awareness and participation included: producing a seminar & vendor expo for multi-family properties, promotion of over 80 events throughout the year, company presence at apartment association meetings and tradeshow, as well as improvement of the the website and providing a Spanish version of the rebate application.

Home Energy Efficiency Survey

For the 2006 program year, SoCalGas Home Energy Efficiency Survey (HEES) achieved and exceeded many of its goals. SoCalGas initiated the idea to combine efforts with SoCal Edison and local water agencies to develop one product to service throughout shared-territory customers. The new HEES included natural gas, electric, and water questions, measures, and recommendations.

Nonresidential Programs

Statewide Express Efficiency Program

SoCalGas' Express Efficiency program continued to coordinate its activities with SoCalGas' Account Executives and Commercial and Industrial Service Technicians so as to present Energy Efficiency program details to their customers during the course of their daily activities and interactions with SoCalGas' customers.

In 2006, SoCalGas made corrections through the reevaluation of workpapers claiming more accurate therm savings numbers for its measures. SoCalGas continued development and implementation of a vendor participation program working closely with vendors in order to target the "Hard-to-Reach" sector. Developing and maintaining these relationships were instrumental in SoCalGas' Express Efficiency Program reaching its goals.

Local Business Energy Efficiency Program Program (BEEP)

SoCalGas' saw an overall increase in program participation in BEEP. Interest and participation in the Energy Efficiency Grant Program (EEGP), a sub-program in BEEP, had increased dramatically since the sub-programs introduction. Additionally, the expansion of the parameters of BEEP allowed more customers to qualify; many of the customers who signed for projects in 2006 did not previously qualify for DSM programs.

SoCalGas' BEEP also implemented the development of new calculation tools. The tools allowed for more consistent allocation of the natural gas load at customer facilities and ensured consistency of energy calculations throughout the SoCalGas service territory.

Other Energy Efficiency Programs

Codes & Standards Advocacy

In 2006, the Residential Evaporative Cooling CASE Study activities included: continued stakeholder interactions and additional analysis including modeling to resolve issues relating to water consumption, continued activities on the Programmable Communicating Thermostat (PCT) effort, participated in Title 24 PCT technical discussions meeting with thermostat manufacturers and CEC, participated in meetings on development of the reference design of the PCT, Title 24 building Standards and Title 20 Appliance Standards.

Emerging Technologies

In 2006, most of the program funding, contracts and staff time was devoted to process evaluation of candidates for new energy efficient technologies. Approximately twenty different project efforts were underway at various stages of the process. A number of new ideas are typically received or discovered each month. The eight assessments were begun which included: demonstration of "warm" asphalt mix, tankless water heater, evaluation of advance boiler combustion control, evaluation of improved IC Engine ignition and combustion trim control, multi-family hot water loop distribution pump controllers, heat recovery from large refrigeration

compressor motors, heat recovery from large industrial boilers via condensing heat exchangers, pulse combustion by way of a new industrial oscillating fuel valve applied to aluminum melting.

On-Bill Financing for Energy Efficiency Equipment

The Department of Corporations granted SoCalGas' an 'exempt' status as a lender subject to CPUC regulations. OBF implemented program improvements as outlined in the approval of advice letter number 3673, dated November 21, 2006. These enhancements included raising the maximum loan amount from \$25,000 to \$50,000 per meter. Eliminating one of the customer eligibility requirements: "No more than three over-due notices in the past 12 months," modified the site requirement for eligibility, and expanded qualified projects to include self-installation.

Sustainable Communities-Santa Monica Demonstration Program

The SoCalGas Sustainable Communities Santa Monica Demonstration Program remained in the developmental stages, as the site was still awaiting City Council approval in 2006. Key activities focused on researching options for energy systems and coordinating with the developer on site issues and opportunities. The developer has also been offered LEED and sustainable design training.

Partnership Programs

Community Colleges Partnership

In 2006, completed engineering reviews for 23 projects for various California Community College Districts.

Based on a continued shortfall of project approvals in the PG&E, SDG&E and SCG territories, the Outreach Team refocused its efforts on outreach and technical assistance for project identification in the districts and campuses in those areas. The team worked to identify appropriate contacts for outreach efforts at the executive and facilities levels at the districts, targeted those districts/campuses that needed additional technical assistance to identify and develop projects, and to reach districts that had not yet participated in the program. Barriers to project identification were identified and action plans developed and tracked for review and discussion during regularly scheduled outreach team meetings. PG&E and SDG&E also worked with their Account Services representatives to assist in the effort at the district and campus level.

California Department of Corrections and Rehabilitation (CDCR) Partnership

In 2006, program effort over the reporting period consisted largely of start-up and mobilization activities as would be expected in the first year of a pioneer venture between the State of California and the IOUs. However, the initial high level identification of potential energy projects within each CDCR facility did assist with the CDCR vendor solicitation process.

UC/CSU - Statewide Partnership

In 2006, due to complexity of multi-party negotiations, the six-party Master Agreement was not ratified until 3rd Quarter. The UC/CSU/IOU Partnership continued its effort in ongoing energy project review, approval and implementation. The program developed and approved pipeline of campus energy efficiency projects. Nine engineering assistance applications were approved, totaling approximately \$175,000 on five campuses. In addition, the program held seven training courses which provided approximately 750 cumulative person-days of training.

Ventura County Regional Energy Alliance (VCREA) Partnership

2006 Milestones for trainings and community events were completed ahead of schedule and additional briefings and community events were undertaken in the fourth quarter.

Additionally, the Ventura County Green Building Council participated in the event to advise the public of new and useful applications of technology demonstrated at the city yard that could be adopted to smaller commercial and residential applications. It demonstrated that the partnership can leverage community connections to educate and engage the general public on the subject of energy efficiencies. In addition, there was a showcase held to highlight energy efficiencies and new technology and a town hall meeting that was seen by more than 300 participants attending the event. There were 44 public agency projects have been identified with strong commitments.

South Bay Cities Council of Governments (SBCCOG) Partnership

As one of its program elements, South Bay Energy Savings Center (SBESC) delivered training workshops and conducted community outreach events in the South Bay area. In 2006, 4 (out of 6) public sector training events, 8 (out of 12) business training events, 21 (out of 30) residential training events, 75 (goal 18) community outreach events and 3 (out of 3) community sweeps have been completed. The program has reached over 50% of the training goals and 416.67% of the community outreach event goals.

Additionally, SBCCOG formed partnerships with two local water agencies in 2006 to add the element of water conservation to the energy efficiency programs currently offered through SBESC. This approach provides synergy to energy efficiency and water conservation. Furthermore, this approach ensures that when inquiries are made regarding one SBESC program, information encompassing both energy and water is presented as a comprehensive package, thereby providing one stop services to the customer as well as leveraging the greatest environmental and economical benefits.

Bakersfield/Kern County Energy Watch Partnership

In 2006, the County of Kern installed 200 faucet aerators in County facilities. In addition the program installed 34 pre rinse nozzles in food service businesses.

The partnership has continued Direct Install with aerators, low-flow showerheads, and replace pre-rinse nozzles with low flow models for food service customers; however, the program found later that many customers are not using pre-rinse equipment. The partnership is exploring other measures such as boiler steam traps, and HVAC tune ups for small businesses. The county of

Kern is working with SCG to update equipment in county facilities with energy efficient measures.

The program encountered delays getting the Partnership Agreement signed which created delays for rolling out the program.

Community Energy Partnership (CEP) – PEAK

In 2006, the program executed five CEP MOUs and resolution through council approval and oriented one new city to CEP program. The program gained support from city stakeholders for student environmental task force and launched one high school student environmental task force.

The program held one PEAK ambassador meeting, six teacher orientation & training and kick off events and two community energy education events.

Community Energy Partnership (CEP) - Direct Install

CEP set to execute contracts to complete energy efficiency tune ups from leads collected in 2006, and Q1 2007; however, partnership agreement was not signed in 2006 as expected which resulted in a delayed launch of small business, and residential tune-ups.

In 2006, the program distributed 2,448 Compact Fluorescent Light (CFL) bulbs, exchanged 136 torchieres , generated 215 tune-up participant leads, participated in 14 direct installation resource-based events and executed five CEP MOUs and Resolution, through council approval. In addition, the partnership completed development of the tune-up tracking database.

California Urban Water Conservation Council (CUWCC)

The program started up several months later than expected. Saturation has increased since Phase 1 of the program. It is becoming much harder to cost effectively outreach to food service facilities in a door-to-door style because on any given street many of the sites have been done and therefore the field representatives canvass area is not as concentrated.

Many of the outlying communities that were not hit in previous phases that are being targeted in Phase 3 are older communities and most of the food service facilities in those areas do not have a valve set up. This has reduced our response rate significantly.

LA County Energy Efficiency Partnership

The LA County partnership team consists of the County of Los Angeles Internal Services Division (LAC/ISD) and the Investor Owned Utilities (IOUs): Southern California Edison (SCE) and Southern California Gas Company (SCG).

Phase one of the LA County projects has begun; and commissioning work is nearly complete in two facilities of phase one. Eight more facilities are in various stages of completion.

In 2006, there were 10 county buildings that committed to the program. Implementation of several measures for the first two buildings were installed, inspected and approved for payments. The remaining measures in the 8 buildings were completed in 2006, and the measures in the remaining 2 buildings will be completed in 2007.

Statewide Partnership Programs

IOU/UC/CSU Partnership

The University of California/California State University/Investor Owned Utility Energy Efficiency Partnership is a unique, statewide program designed to achieve immediate and long-term energy savings and peak demand reduction within California's higher education system. In 2006, the program continued to hold bi-weekly Partnership Management Team meetings to conduct the business of the Partnership. In addition, several bi-weekly Training and Education Team meetings were held to carry-out the program's training activities. Marketing Activities included a co-sponsorship booth with PIER's Energy Efficient Campus Program for the Pacific Coast Association of Physical Plant Administrators (PCAPPA) annual conference in San Jose. Illustrated the link between PIER program and the Partnership, provided Partnership incentive information along with training and education course schedules and descriptions. Over 200 people, a majority of whom were from California universities, attended the conference.

CA Department of Corrections Partnership

Master Agreement was fully executed by all parties on November 17, 2006.

CDCR partners collaborated with the State of California effort, and coordinated through Department of General Service (DGS) partnership, to avoid any overlap in program activities and process. CDCR management released an RFQ to solicit qualification from various vendors to support CDCR project implementation effort. In Q4'06, CDCR was successful in creating a pool of qualified ESCOs, engineering management consultants, lighting and HVAC contractors. As a result of this progress, the partnership is poised to commence implementation efforts in the first quarter of 2007.

IOU/Community College Partnership

Except for a very few, all of the Form 2 Project Applications submitted from Districts to date had been through the IOU Due-Diligence review process by the end of the Fourth Quarter. In addition to the approval of projects for implementation, this resulted in identifying the current shortfall to meet Program goals.

Formal testing of the program tracking web site was completed in the 3rd Quarter and the system was available for use by Management Team personnel starting in the 4th Quarter. All project data had been loaded into the web site by the end of the 4th Quarter, and reconciliation with IOU internal databases and establishment of project Milestone Schedules began. Training and full rollout-out of the tracking web site to all Partnership stakeholders is planned for the First Quarter of 2007. In addition, records documents and calendar events are now being maintained on the system for access by Partnership stakeholders.

Third Party Programs

Chinese Language Energy Outreach (CLEO)

In 2006, CLEO participated in two cultural themed festivals which attracted over 300,000 customers. The festival was widely covered in the local Chinese media. The program generated over 1000 Home Energy Efficiency Surveys (HEES) and over 269 of these surveys were validated by SCG.

Portfolio of the Future

In 2006, the program conducted comprehensive scan of natural gas emerging technologies by market sector (residential, commercial, industrial). This includes structuring portfolio scoring and ranking criteria to meet SoCalGas' Emerging Technologies program goals and objectives, developing portfolio assessment tool to facilitate scoring and ranking of candidate technologies, assess portfolio characteristics, and diagram results/ recommendations, applying scoring and ranking criteria to inventory of technology options, assessing and characterizing measures with highest scores to support SoCalGas' internal deliberations about whether and how these measures "fit" into SoCalGas' existing and planned energy efficiency portfolio.

Alliance Partners Program

In 2006, the program completed the first meeting of the Steering Committee. Recommendations of Steering Committee included four pilots, continued identification of key stakeholders, potential participants and existing programs and resources for pilot projects. In addition, continued research into lessons learned; state of existing tools and techniques; and energy savings potential of various measures for each of the market and customer sectors targeted by the 4 pilot programs. The building of the database of resources (i.e. funding, technical assistance, etc.) for pilot programs began in 2006.

PACE EE Ethnic Outreach

In 2006 PACE attended over 16 network opportunities to research, gather information and create contact lists of the various targeted groups in the residential, multi-family and small businesses categories to prepare for actual outreach activities upon receipt of materials from SoCalGas.

In addition, the program launched a website to market the programs which includes online surveys, paper-based surveys, rebate and energy efficiency information, aerator sets, calendar of events and contact information of the Energy Efficiency Ethnic Outreach Program,

The program contacted over 129 restaurant/foodservice owners/managers/workers and 24 participated in the food service seminar.

Energy Efficiency Kiosk Program

In 2006, the program secured the program's primary hosting site which includes 27 credit union locations. In addition, one of the largest retail banks in Southern California, has also agreed to participate in the program.

The program began pre-production on the video, which included script research and scenario development. Research on residential energy efficiency activities and the identification of key script elements was completed. The ten early adopters for testimonials were chosen for the video with the help of both institutions.

The kiosk design started with various suggestions for shape and other design elements coming from both the credit union and the bank.

Laundry Coin-Op Program

In 2006 the Laundry Coin-Op Program completed the application process and 100% inspection of 290 sites with 1375 efficient commercial washers (gas water heating) and 12 efficient washers (with electric water heating). This represents a very quick start to the program having officially started near the end of August.

Constant Volume Retrofit Program (CVRP)

In 2006, the program completed program forms, marketing materials, and policies which includes purchase order kit, program tracking system, marketing materials, marketing plan, customer enrollment forms, dispute resolution policy and invoice template.

Although there were no therm savings reported in 2006, the program commenced detailed engineering and assessment activities for two clients. A total of five buildings were assessed and two detailed engineering reports were completed in late December 2006.

Designed for Comfort (DfC)

In 2006, the program exceeded its conference/workshop/training goals representing a total of 11 workshops and conferences. 50% of these goals represent for 2007 Q2 quarter.

Manufactured Mobile Home Program

In 2006, marketing and outreach personnel have held 73 neighborhood meetings with 4,156 guests visited or contacted program. During these meetings a program overview was presented to possible Mobile Home clients. Sample of the measures to be performed were demonstrated and potential clients and program participants were able to ask questions. These neighborhood meetings were productive and many customers are able to schedule their appointments for installation directly from these meetings.

Gas Cooling Upgrade Program

In 2006, there were about five prospective customers eligible for Gas Cooling Rebate Program (GCRP) identified.

In addition, the program has finalized specific climate zone savings categories and added savings calculations for different types of customer scenarios. Eligible tonnage for program participation has been increased from 25 ton or less to 50 tons or less to accommodate the participation of a wider range of gas cooling technologies.

VeSM Advantage Plus Program

Although the program did not launch until late 3Q of 2006, two contracts were signed and both are joint savings projects.

LivingWise K-12 Program

Contract was still under negotiations in 2006.

Program Descriptions and Strategies

Codes and Standards (SCG3501) Narrative

The SoCalGas codes and standards program utilized several strategies during 2006:

- C&S program specifically supported the California Energy Commission's (CEC) periodic updates to the Title-24 Building Energy Efficiency Standards and Title 20 Appliance Efficiency Standards. Support to the CEC was provided in the form of Codes and Standards Enhancement (CASE) studies, expert testimony, research and analysis during the rulemaking process. Attended and participated in meetings conducted by ASHRAE, USGBC, USDOE, CSA, as part of monitoring activities of code setting bodies that impact the California standards.
- Coordination of statewide activities with the other IOUs was carried out on a regular basis; these included coordination meetings, sharing of information to avoid duplication, leveraging limited funds to jointly participate in CASE studies, compliance improvement plans for building and appliance standards among others. The IOU's also developed the CASE study website.
- Screening and prioritization of several topics were undertaken to identify potential CASE topics prior to initiation of CASE studies. These topics were discussed with internal energy efficiency program staff, emerging technologies staff, IOU's and CEC. Following the evaluation, request for proposals (RFP) were issued for the following CASE studies:
 - Hotel Card Key Control
 - Multifamily Central DHW systems (2008 Standards)
 - Improved Res Water Heating Distribution System Design
 - Commercial Gas Clothes Dryers
 - Building Envelop Improvements: Advanced Framing
- Participated in the Title 24 Programmable Communicating Thermostat (PCT) code development for the 2008 standards which included workshops, technical discussions, meeting with thermostat manufacturers, and creating use case scenarios. The PCT code development led to additional work on development of a reference design of the PCT.
- The CPUC is allowing utilities to credit 50% of the savings actually verified from the pre-2006 codes and standards advocacy work and 100% of the verified savings from post 2006 advocacy work. The C&S program was actively involved in the Statewide Codes and Standards Market Adoption and Non Compliance Rates study conducted by Quantec as part of verification of savings attributed to the program.

How the Utility plans to meet the Commission's portfolio goals in the coming year:

The program will continue to evaluate potential topics for CASE studies for enhancement of the Title 24 building standards and Title 20 appliance standards. The program will continue to coordinate activities with IOU's and CEC, develop seminars and training for compliance with the Title 24 standards, and pursue, with local governments, the potential for locally adopted energy standards that exceed Title 24 standards which local governments could adopt.

Advanced Home Program (SCG3502) Narrative

The Advanced Home program of Southern California Gas Company promotes a comprehensive residential new construction concept with a cross-cutting focus on sustainable design and construction, green building practices and emerging technologies. Through a combination of education, design assistance and financial support, the program works with the building and related industries to exceed compliance with the California Building Energy Efficiency Standards (Standards), to prepare builders for future changes in the Standards, and to create future pathways to go beyond compliance and traditional energy savings objectives. This will be accomplished through demonstration projects, building performance and specific measures.

Residential new construction has been recognized as a rich ground for the promotion of new technologies, experimentation and analysis and has been the spawning ground for numerous technologies now considered mainstream in the vast retrofit market, such as high performance low-e windows, high performance water heaters and heating, ventilation and air conditioning (HVAC) systems. Many builders would like to explore further these and other technologies and innovations in their building designs, but require guidance and assistance to prevent lost opportunities. For effective use and maximum performance of many of these technologies, such as photovoltaic and alternative water and space heating applications, energy efficiency of the dwelling unit must be taken to a higher level requiring building design and construction to incorporate the efficiency measures promoted by the program.

The stated mission of the Green Building Initiative is to accelerate the adoption of building practices that result in energy-efficient, healthier and environmentally sustainable buildings by promoting credible and practical green building approaches for residential and commercial construction. A key component of the Advanced Home Program is Case Studies concept. This program focuses on three areas, energy, environment and resources in an effort to create a more holistic response to new construction. Energy efficiency construction is addressed for each project as is sustainable design and green building practices. Each project is evaluated individually to maximize the impact. Certification programs are also evaluated such as LEED for Homes and Build It Green.

How the Utility plans to meet the Commission's portfolio goals in the coming year:

In order to have influence, new construction projects must be addressed very early in the design process. This results in projects having very long timeframes from influence to final construction. Because of this many projects will result in installed savings later in the program cycle. Therefore, there are some installed savings in 2006 the majority of them will appear in 2007 and 2008. Some projects have been identified as needing to have a longer construction timeframe and may result in installed savings after December 2008.

The program had strong initial participation in the prescriptive area. Due to changes in the Environmental Protection Agency's ENERGY STAR program, participation has been greatly reduced from previous program cycles. Focus will continue to encouraging participation.

The program will place a greater focus on the performance based component to increase energy savings throughout the remainder of the program cycle. It is felt that performance is a much better measure and allows greater flexibility for builders.

Energy Efficiency Education & Training (SCG3503) Narrative

SoCalGas' Education and Training program is an information program which promotes energy efficiency to a variety of customer segments through the SoCalGas Energy Resource Center (ERC), Food Service Equipment Center (FSEC), and other information and training programs. The objective is to: 1) disseminate information about energy efficiency technology and practices to utility customers for the purpose of assisting them in reducing energy usage, lowering their utility bills, reducing operation and maintenance cost, and improving their productivity; and 2) provide services to a variety of midstream and upstream market actors, including but not limited to architects, designers, engineers, distributors, and contractors, who use information and tools to design more efficient buildings or processes, and to conduct energy-efficient retrofits and renovations. New program offerings are being developed to further address specific topics and priorities of customers.

Through showcasing and demonstration of hands-on energy efficiency displays and exhibits, on-site hands-on training, in conjunction with seminars specifically designed to leverage the information provided by the program focusing on emerging technologies to ensure the delivery of up-to-date information, the ERC strategy helps to breakdown customer market barriers concerning cost, performance uncertainty, and asymmetric product information. The Center offers an informative experience that can influence customers to implement energy efficient measures, which can result in energy savings and conservation, as well as, effectively move them to participate in other public funded programs.

2006 Program Activities:

- 107 Seminars Completed
- 7 Industrial End User Workshops Completed w/ 1,902, 913 Therm Savings
- 3 Nate Certification Training Sessions Completed
- 250 Food Service Equipment Demonstrations
- 57 Manufactured-Assisted Equipment Training Workshops
- 1 Building Operator Certification (BOC) Level I

How the Utility plans to meet the Commission's portfolio goals in the coming year:

The Industrial End Users program proved to be very successful during the first year of implementation and the request for customer participation overwhelmed the current resources for

this component of the Education and Training program while exceeding the first year's projected therm savings goal. Resources to expand customer program participation were implemented during the first quarter of 2007 to assist in meeting the Utility's portfolio goal through 2007.

Energy Efficiency Delivery Channel (SCG3504) Narrative

During 2006, SoCalGas launched its Delivery Channel Innovation program to support the marketing and outreach of SoCalGas' 2006-2008 energy efficiency portfolio. This new, local cross-cutting program has been designed to support all sectors: Residential, Non-Residential, New-Construction, Partnerships and Third Party Programs. The program was created to increase customer understanding of SoCalGas' energy efficiency portfolio and make adoption of energy efficiency measures and practices easier. In 2006, Delivery Channel Innovation exceeded its goals for Residential and business outreach, collateral, web visits, media placements, C&I welcome kits and customer opt-ins which contributed to the overall success of the EE portfolio.

Successful program strategies included:

Strategy: Conduct Customer EE Research

- Conducted Co-branding focus groups with residential and small business customers to better understand communication gaps related to increased partnering with other entities such as electric utilities, water districts, air quality districts, community partnerships, contractors, etc.

Strategy: Expand EE Marketing & Create Comprehensive Suite of Program Support Materials in Hard-copy and Electronic Formats. Utilize Email and Online Marketing Channels More Effectively.

- New foundational content was developed to promote the benefits of natural gas energy efficiency to residential and business customers.
- Residential energy efficiency program content was packaged into a new comprehensive brochure. For residential customers, Customer Programs staff partnered with the Market Strategy staff to cross promote Energy Efficiency programs with Online Bill Payment on a door hanger to new customers.
- New flyers, one for residential and one for business customers, were created to promote the benefits of energy efficiency in improving the environment. Materials were converted to pdf file format for web, etc.
- Welcome letters promoting energy efficiency programs were sent to new C&I customers. Over 3.5k were distributed to new business account turn-ons. SoCalGas distributed 'Winter Letter' promoting online business audits, energy efficiency training and EE rebate/incentive programs to over 200k small/mid size business (letter sent to businesses under 50k therms annually).
- SoCalGas developed and launched the four new e-newsletters targeting customer segments as follows: residential customers, C&I customers, food service customers and ERC training/seminar customers. Customer e-Newsletter databases were expanded through collection of customer opt-in information at shows/events, etc.
- Content was packaged into various new communication pieces including: a new Energy Efficiency section on www.socalgas.com, residential and business energy efficiency program brochures, electronic newsletters, speeches, call center scripts, displays, event staff training

manuals, etc. This new section: www.socalgas.com/energyefficiency quickly became one of the top 20 most viewed pages on the site, with over 45k web “hits” in the first 10 months of operation.

Strategy: Utilize “Grassroots” Marketing Approach at Outreach Shows/Events Throughout Service Territory to Maximize Available Funding and Increase Awareness of EE Programs and Services.

- Through Delivery Channel Innovation, The Gas Company participated in 108 community events targeting residential customers, and 82 business events during 2006. At these events, over 95k residential and over 120k business energy efficiency brochures were distributed to customers. In addition, customer e-Newsletter opt-ins were collected at all shows/events so that we can follow-up with customers over time with energy efficiency messages via email.
- Delivery Channel Innovation Program was utilized to launch our 2006 Business programs. The Gas Company hosted its first Business Energy Efficiency Expo hosting over 200 business customers, energy efficient equipment vendors, and organizations (such as the CA Climate Action Registry). Customers learned about SoCalGas’ new programs, watched customer success story videos and learned from these customers about the real world benefits of energy efficiency, heard from industry experts, participated in technical industry specific seminars, and met energy efficient equipment suppliers. Customer satisfaction ratings were very high with 95% of all respondents rating the event “Excellent” or “Above Average”. Program managers and vendors commented that they received numerous qualified customer leads through this event.

Strategy: Aggressively Pursue External Communication & Advertising Opportunities to Promote EE Programs and Customer Success Stories.

- In 2006, 271 press releases, advertorials, articles and media clips on The Gas Company’s energy efficiency programs were placed and tracked in 2006 throughout The Gas Company’s service territory.
- Advertorials were developed and placed in the *La Opinion* Hispanic newspaper. Advertorials featured customer successes with The Gas Company’s energy efficiency programs. The program also placed advertorials in *Indoor Comfort News* to help educate HVAC professionals on the benefits of energy efficiency and on HVAC training, education and professional certification programs.

Strategy: Work with Program Management Teams in Developing Innovative “More Customer-Friendly” Programs.

- The program identified the need to better target midstream and upstream marketing opportunities. SoCalGas worked with program management team in establishing a pilot program for the new Commercial and Industrial (C&I) Vendor Participation Program (VPP). The program and marketing efforts proved highly successful in promoting Express Efficiency measures (i.e., steam traps) through midstream/upstream vendors. This effort and channel successfully increased program participation among smaller, hard-to-reach business customers.

Strategy: Continue to Expand Partnering Opportunities for Energy Efficiency

- SoCalGas participated in ENERGY STAR’s Appliance Partner meetings to promote the energy efficiency activities of the CA utilities. The main goal was to make

manufacturers and retailers aware of the win-win opportunities tied to our 2006-2008 energy efficiency programs, including over 850K high-efficiency products in our rebate programs.

- SoCalGas continued discussions with ENERGY STAR and Appliance Partners to promote the energy efficiency activities of the California utilities. Subsequently, SoCalGas expanded the Qualified Gas Food Service Equipment list to include additional equipment that meets or exceeds energy efficiency requirements for rebates. The list was expanded to include over 130 pieces of qualified food service equipment with rebates ranging from \$150 to \$2,000 per unit. A new flyer was created to promote this expanded program.
- SoCalGas collaborated with *Flex Your Power* (FYP) and Statewide teams in promoting SoCalGas' energy efficiency awareness throughout CA. The company also worked with FYP in promoting SoCalGas' programs and training within the FYP's e-Newswire.

How the Utility plans to meet the Commission's portfolio goals in the coming year:

SoCalGas will continue with 2006 strategies as discussed above. The company will expand the use of targeted electronic marketing activities in promoting all EE programs/service offerings. SoCalGas will utilize resulting e-marketing metrics to improve communications content and delivery methods. The company will also expand relationships with appropriate trade, manufacturer and vendor associations, and continue to build upon the successful Vendor Participation Program (VPP) model. We will also continue to seek out new and innovative therm savings technologies and products which help our residential and business customers save money, energy and help the environment.

Emerging Technologies (SCG3506) Narrative

The objective of the SoCalGas Emerging Technologies (ET) Program is to accelerate the market introduction of new and emerging technologies so that the technologies can be eventually moved to the utility energy efficiency programs. The SoCalGas ET Program continued to be implemented much in the same way as in the 2004-05 funding cycle, with some staff additions planned and accomplished. Staff in 2006 consisted of two trained engineers working with the ET Program Manager with assistance from other groups to accomplish technology assessment projects.

Activities consisted mostly in the areas of screening candidate technologies and then arranging for assessments or negotiating collaborative agreements to accomplish assessments together with other IOU partners.

Six assessment projects were launched in 2006. Some of these will need to be replicated by other, related assessments in order to accumulate further information on technology performance, applicability and cost effectiveness and customer acceptance. This will raise confidence in the field-derived results. Example projects and technology assessment include the following:

- An oscillating combustion system for use in heavy industrial kilns and furnaces
- A new heat recovery strategy for refrigeration motors to conserve boiler load
- Demonstration of a condensing heat exchanger technology for a set of industrial boilers

- Demonstration of advanced digital controls for industrial boilers
- Modifications to industrial IC engines ignition and fuel control systems for efficiency and lower emissions
- A beginning evaluation of the energy impacts of the use of “warm” asphalt mix products

How the Utility plans to meet the Commission’s portfolio goals in the coming year:

The SoCalGas ET Program continues, in concert with the other IOUs’ ET programs, to comprise that critical component of the EE Portfolio most likely to discover new technology options on which to base future EE programs, as well as to contribute information to better clarify energy savings potentials hypothesized by others. There are no major changes planned for the ET program at SoCalGas. However the program focus will be organized to examine those technologies that meet the utility’s near term, mid term and longer-term EE programs. Planned additions to staff during the 2006-2008 program cycle at SoCalGas should better enable this program to meet internal expectations of contributions to the overall EE effort.

Express Efficiency (SCG3507) Narrative

SoCalGas’ Express Efficiency program continued to coordinate its activities with SoCalGas’ Account Executives and Commercial and Industrial Service Technicians so as to present Energy Efficiency program details to their customers during the course of their daily activities and interactions with SoCalGas’ customers. SoCalGas’ Account Executives have been tasked to meet the needs of their assigned customers with a focus on promoting rebate programs and to educate customers on energy efficiency matters. The C&I Service Techs are fully trained in the Express Efficiency program and are alert for opportunities to assist customers in upgrading their energy inefficient equipment to high efficiency equipment through the Express Efficiency program during their interaction with the customer’s during daily service calls.

Utilizing re-evaluated workpapers, SoCalGas made a correction to the steam trap measure therm savings allocation for 2006-07. SoCalGas reduced therm savings on small commercial steam traps installed at small commercial customers such as Dry Cleaners, and increased savings at large industrial facilities such as refineries. The overall program therm savings were reduced, but the program still exceeded goal claiming more accurate therm savings numbers.

SoCalGas continued development and implementation of a vendor participation program during fourth quarter 2006. SoCalGas worked closely with steam trap vendors during 2006-07 to reach out to the hard to reach Dry Cleaning sector. Developing and maintaining these relationships were instrumental in SoCalGas’ Express Efficiency Program reaching its 2006-07 goals.

How the Utility plans to meet the Commission’s portfolio goals in the coming year:

SoCalGas will continue to investigate new measures, and re-evaluate old measures and workpapers to guarantee that the Express Efficiency Program is running as efficiently as possible, and that they are delivering maximum and accurate therm savings.

SoCalGas commissioned new workpapers for pipe insulation for smaller diameter pipe than had previously been included in the program. Implementation of pipe insulation measures down to one half inch pipe should expand the market to include the hard to reach dry cleaners and coin

laundry customers that are reluctant to insulate the piping at their facilities. SoCalGas will utilize the same vendor program participants to reach out to these hard to reach customers.

Home Energy Efficiency Survey (SCG3509) Narrative

For the 2006 program year, SoCalGas Home Energy Efficiency Survey (HEES) has achieved many first and original feats successfully. SoCalGas initiated the idea to combine efforts with SoCal Edison and local water agencies to develop one product to service throughout shared-territory customers. The new HEES includes natural gas, electric, and water questions, measures, and recommendations to: 1) encourage change in customer behavior and to adopt energy efficient usage practices in their household; and 2) utilize high energy efficiency rated household appliances and equipment instead of low or non-energy efficient counterparts.

The assertive efforts to leverage resources with Southern California Edison, Golden State Water Company, and LADWP; plus, the multiple delivery channels through the other Energy Efficiency Programs such as Single Family Rebate, Information & Outreach, 3rd Party Programs and Partnership Programs, HEES has become an integral part of the Residential Customer Programs as it was intended. SoCalGas HEES is offered for the first time in Vietnamese and Korean. They are included with Spanish and Chinese to reach to SoCalGas' in-language customers.

How the Utility plans to meet the Commission's portfolio goals in the coming year:

Home Energy Efficiency Survey will achieve its 2007 goal by continuing the same efforts.

Multifamily Energy Efficiency Retrofit (SCG3510) Narrative

The SoCalGas 2006-2008 Multifamily Rebate Program had a very promising launch in February 2006. One of the main strategies that successfully contributed to the portfolio of energy savings results focused on customer communication efforts. Typically, owners and managers of multifamily properties have been an underserved customer segment due to the lack of knowledge that the program existed. Efforts to increase awareness and participation included the following:

- Designed and produced the first Multifamily Seminar & Vendor Expo, titled "Hot Water Solutions for Multifamily Properties," resulting in over 100 owners/managers/vendors in attendance.
- 'Education and Outreach' efforts to promote the program at over 80 events throughout the year.
- Attended Apartment Association meetings and quarterly tradeshow, and developed key contacts to assist in promoting program.
- Utilized innovative approach to marketing strategy by participating in tradeshow outside traditional avenues:
 - IHACI Tradeshow
 - Builders / Remodelers Industry Tradeshow
- Conducted joint presentations with counterpart at SoCalEdison at various events (HUD's 'Energy Action Plan' meeting, 'Affordable Housing' Workshop, Apartment Association

of the Greater Inland Empire monthly meeting, LOMCO Property Management company's 'Lunch & Learn' meeting) to encourage comprehensive (gas and electric) energy efficiency upgrades.

- Printed collateral included: Statewide advertisement in Apartment Manager's magazine and Multifamily Trends magazine, Multifamily Rebate Application, Multifamily Brochure and Fact Sheet, Residential Customer Programs Trifold.
- Utilized internal 'Partnership Programs' to assist promotion of Multi-family program.
- Conducted company training to Customer Service Field personnel in an effort to promote program internally.
- Program promotion via SoCalGas multi-family webpage at SoCalGas.com.
- Spanish version of the rebate application was made available online.

Although efforts to increase customer awareness of the Multifamily Rebate Program were extensive, owners/managers seldom installed energy efficient appliances inside the tenant dwellings. Instead, the major bulk of participation was garnered from customers that chose to upgrade the hot water distribution systems in multi-family properties; specifically, boilers, central water heaters, and controllers.

Apparently, the split incentive continued to challenge this program, especially for upgrades in the tenant dwellings.

A very important player and key contributor to the success of the program were the controller contractors that marketed their product directly to owners and property managers of large multifamily properties. Their product helped reduce natural gas usage and unnecessary heating of hot water in boilers and central water heaters. Since owners are usually responsible for paying the gas bill for hot water, they are motivated to install these devices, especially if rebates are available. Approximately 75% of program participation was comprised of controller installations.

At year end, the program had received 719 requests for reservations; resulting in 81% of the incentive goal being reserved, committed or paid, and achieving 77% of the therm goal.

How the Utility plans to meet the Commission's portfolio goals in the coming year

There has been a noticeable success rate in offering the Energy Efficiency Starter Kit (1 low flow showerhead- 1.5 GPM, and a set of faucet aerators) to our Single Family customer base. Therm savings are small; however, in cases of mass distribution (especially to multifamily properties), there is huge potential for energy and water savings. The Multi-family Rebate Program plans to introduce these measures as a self-installation kit via bulk fulfillment to our multi-family property owners/managers.

Local Business Energy Efficiency (SCG3513) Narrative

SoCalGas' Local Business Energy Efficiency Program (BEEP) implemented the development of new calculation tools along with the associated training for SoCalGas employees during the first half of 2006. The tools allowed for more consistent allocation of the natural gas load at customer facilities. In addition, SoCalGas developed new calculation tools ensuring consistency of energy calculations throughout the SoCalGas service territory. The combination of long lead times as well as the introduction of the new calculation tools, led to a slow start. However participation in the BEEP program saw 87% of the achieved energy savings produced in the second half of 2006.

Interest and participation in the Energy Efficiency Grant Program (EEGP), a sub-program in BEEP, had increased dramatically since that sub-program's introduction in 2006. Heavy promotion of the EEGP was the biggest push of 2006. SoCalGas coordinated activities with SoCalGas Account Executives (AE's), who deal directly with the largest customers, to introduce the EEGP and BEEP parameters to their clients. Many of the customers who signed for projects in 2006 did not previously qualify for DSM programs and a customer learning curve was experienced in 2006.

SoCalGas' AE's have been tasked to meet the needs of their assigned customers with a focus on promoting and educating customers on energy efficiency matters. Additional training was provided to SoCalGas AE's by Department of Energy consultants. This training allowed the AE's to present additional opportunities to SoCalGas customers during their interactions with SoCalGas customers.

Although these programs are primarily designed for larger commercial and industrial customers, 26% of the incentives and 29% of the therm savings achieved in BEEP in 2006 went to customers formerly classified as "Hard-to-Reach."

How the Utility plans to meet the Commission's portfolio goals in the coming year:

Since early in 2007, the BEEP program has undergone changes to fit the needs of the Industrial customer while continuing to deliver a cost effective program. The program cap was raised from \$300,000 to \$1,000,000 in early 2007. This change allowed SoCalGas to promote the installation large projects costing in the millions of dollars. The previous cap was, in many instances, insufficient to help move energy efficiency projects into a range where limited capital dollars would be allocated for energy efficiency. SoCalGas continues to investigate new measures and look for new opportunities by working with manufacturers and vendors of industrial products to help promote SoCalGas's Energy Efficiency programs.

On-Bill Financing (SCG3514) Narrative

A key program strategy that was successfully implemented last year was refining program design based on real world feedback from contractors, customers, and internal sales force, resulting in a more market-responsive program. As an example, the loan ceiling was raised from \$25,000 to \$50,000 per meter; the maximum loan term was extended from 3 years to 5 years for qualified

business and multifamily projects; and the “no more than 3 over-due notices” was dropped from the “credit” eligibility requirements.

SoCalGas was successful in obtaining exemption of Commercial Lender’s License from Department of Corporations (DOC). With the exemption, the program management staff is relieved of certain DOC requirements such as reporting and auditing, thereby able to devote more resources to manage the loan program.

Other successful program strategies included collaborating with rebate and incentive programs to determine On Bill Financing (OBF) process and procedures, resulting in an OBF offering tailored to meet the requirements for each program; providing training on program guidelines to internal and external groups that work directly with customers to provide an integrated, comprehensive approach to marketing of the program. In addition, SoCalGas has begun developing an OBF billing and payment system to effectively and accurately bill and track OBF loans.

How the Utility plans to meet the Commission’s portfolio goals in the coming year:

In the coming year, SoCalGas will explore additional ways to outreach to customers who can benefit from the OBF program. This will include cross-promoting with rebate/incentive programs, working closely with vendors of high efficiency equipment, and reaching out to smaller chain accounts’ facility managers who are more likely to need financing assistance than larger chains. Efforts will also be made to explore additional high efficiency technologies that will meet OBF’s 5-year payback criterion and work with vendors of such technologies to promote OBF. OBF Program Staff will also step up collaboration with partnerships and 3rd party programs to market OBF. There are also plans to conduct market research to gather customer input and adjust the program as needed to make it more accessible to more customers.

Sustainable Communities-Santa Monica Demo (SCG3516) Narrative

The SoCalGas Sustainable Communities Santa Monica Demonstration Program is still in the developmental stages, as the site was still awaiting City Council approval in 2006. Key activities focused on researching options for energy systems and coordinating with the developer on site issues and opportunities. The developer has also been offered LEED and sustainable design training.

How the Utility plans to meet the Commission’s portfolio goals in the coming year:

The program will move forward when it has been approved by the City Council.

Single Family Home Energy Efficiency Retrofit (SCG3517) Narrative

The rebate channel still accounted for the majority of incentive payments to customers, despite the offering a Point-of-Purchase rebate program that was virtually unchanged to the customer, but simplified for the retailers. Natural Gas water heaters were added to the Point-of-Purchase program and there seem to be slight up tick in rebates for that measure during 2006.

One apparent positive note was the increase in the number of rebates requested for appliances, specifically, despite a reduction in the rebate amount from previous years due to the reduced

energy savings garnered from each unit. Gas furnace rebates were split into two tiers for 2006 and the results showed a significantly greater interest by customers in the higher 92% plus AFUE Furnace over the 90% furnace from customers. Certainly the higher rebate offer, though only \$100 more, had some impact on those results.

The SoCalGas began changes to its Rebate program webpages that seem to help customers navigate to sites of interest on a more regular basis and data from the web team seemed to support sites receiving a greater number of hits than seen in previous years. Given the utility website is a very economical and strategic channel for customers to read and learn there is a strong likelihood that volume in the 2006 program was tied to the improvements in the Single Family webpage.

The SoCalGas Single Family Program also introduced new low cost water measures for reducing hot water usage which have become very significant tools in spurring overall interest in energy efficiency. Studies by several consultants indicated that one of the best strategic directions for residential programs to consider were with low-cost measures which would provide the most cost-effective options to the portfolio.

There was a significant increase in outreach and marketing collateral made available to customers to learn about residential energy efficiency and programs, but to education customers on energy use in general. SoCalGas' establishment of a specific Marketing and Outreach group was significant in terms in achieving some of the volume in the program. The group was able to participate in more than 80+ events and develop segment specific marketing pieces that provided the flexibility to be used in-store, at events, on the web and in bill inserts. Energy savings results for 2006 did not finish above goal, but the participation level and interest demonstrated by the activity volume provide an optimistic outlook for new strategies and technologies.

Other marketing efforts to promote program participation included:

- Utilized internal 'Partnership Programs' to assist promotion of Single family program, as well as 'Education & Outreach' efforts at public events
- A Spanish version application was also available online

How the Utility plans to meet the Commission's portfolio goals in the coming year:

SoCalGas is expanding its offering of low-cost measures in cooperation with Southern California Edison in hopes that much of the momentum and results shown by the 2006 demand can generate more cost effective and cost efficient savings to improve the overall portfolio performance and energy savings results. SoCalGas has been negotiating and should be launching a residential tank-less water heater program that has been of interest to customers and becomes a nice compliment to the current portfolio. The tank-less program will be implemented through manufacture/installers to cut down on administrative cost and customer incentive wait time given the larger investment by the customer. The Single Family program will be collaborating with the Home Energy Efficiency Survey to cross promote services an increase customer participation in the program.

SoCalGas will continue to recruit additional retailers and contractors to participate in the point of purchase instant rebates, and as well as explore opportunities to expand point of sale instant rebate measures.

Community Colleges (SCG3518) Narrative

The California Community Colleges/Investor Owned Utility (CCC IOU) Energy Efficiency Partnership is a unique, statewide program to achieve immediate and long-term energy savings and peak demand reduction within California's higher education system. The program will establish a permanent framework for sustainable, comprehensive energy management at Community College campuses served by California's four Investor Owned Utilities. Campus projects in the SoCalGas service area included pool covers, HVAC and facility optimization upgrades.

Problems encountered with Partnership and/or Third Party Programs

Originally all project agreements were set up in the ECM system. This caused customer confusion and dissatisfaction due to prolonged requisition process time. The ECM system required online forms were also not user friendly. The new system, using a one-time vendor process is more customer-friendly and efficient in incentive payment processing.

Department of Corrections (SCG3519) Narrative

Southern California Gas Company, The California Department of Corrections & Rehabilitation (CDCR) and the other three Investor Owned Utilities (IOUs) are collaborating on a new Energy Efficiency Partnership program to share energy efficiency best practices and to implement energy efficiency projects for immediate and long-term energy savings and peak demand reduction.

The Department of Corrections is a public institution and has merged with the California Youth Authority. The new organization is comprised of 34 adult facilities and 16 parole offices. These facilities are approximately 37,715,415 square feet of occupied space. There will be an addition of 8 youth facilities with approximately 10 million square feet and 4 camp locations. Through this transition, Southern California Gas Company and the other IOUs, will collaborate with CDCR to develop an implementation plan and schedule that will ensure timely implementation of identified projects and exceed program objectives.

Problems encountered with Partnership and/or Third Party Programs

Program effort over the reporting period consisted largely of start-up and mobilization activities as would be expected in the first year of a pioneer venture between the State of California and the Investor Owned Utilities. However, the initial high level identification of potential energy projects within each CDCR facility did assist with the CDCR vendor solicitation process.

UC/CSU Partnership (SCG3520) Narrative

The IOU/UC/CSU Partnership program is designed to provide energy efficiency retrofits at campus facilities; retro and continuous commissioning at campus facilities; and energy efficiency training and best practices development for UC/CSU facility managers. UC/CSU campus projects in the SoCalGas service area included pool covers, HVAC and facility optimization upgrades. UC/CSU training and education events included New Construction workshops, Building Retro/Continuous-Commissioning training workshops, building retrofit

workshops, Best Practices into campus operating processes and procedures, and a Sustainability Conference.

Problems encountered with Partnership and/or Third Party Programs

Originally all project agreements were set up in the ECM system. This caused customer confusion and dissatisfaction due to prolonged requisition process time. The ECM system required online forms were also not user friendly. The new system, using a one-time vendor process is more customer-friendly and efficient in incentive payment processing.

Due to complexity of multiparty negotiation, the six-party Master Agreement was not ratified until 3rd Quarter.

Ventura County Regional Energy Alliance Energy Efficiency Partnership (SCG3521) Narrative

The Ventura County Partnership is an alliance between the Ventura County Regional Energy Alliance (VCREA), Southern California Edison Company (SCE) and Southern California Gas Company (SCG). The VCREA is a Joint Powers Agency (JPA) representing the County of Ventura, Ventura Community College District, Casitas Municipal Water District, Ventura Regional Sanitation District and the Cities of Ventura, Oxnard, Thousand Oaks and Santa Paula. Membership is open to all public agencies in the region and additional members are expected to join. In 2004, the VCREA Partnership established the Ventura County Energy Resource Center (VCERC) as a local clearinghouse of energy information including energy efficiency, demand response, self-generation, CEC, DOE, EPA, and low-income and CARE programs.

The program provides technical support, energy efficiency workshops, community events and marketing/information outreach to support energy efficiency projects and to funnel customers to IOUs and their third party programs.

In 2006, the Ventura County Partnership continues to emphasize approaches that reduce barriers to participation by providing technical support, project identification, project modeling, technical trainings, leadership briefings, library books and resource tools, website operation and utility incentive/rebate information. Community events, newsletters and collateral efforts were planned in the first quarter and executed smoothly throughout the remainder of the year to couple energy efficiency to green building, carbon reduction and climate change.

In the fourth quarter of 2006, the VCREA Board approved a concept for a Shared Employee Program for cross training and energy efficiency skills development. As public agencies engage, more projects are expected to be identified and more savings achieved while building a local program with leveraged funds.

2006 Milestones for trainings and community events were completed ahead of schedule. The program delivered 13 (of 26 three-year goal) community events, 44 (36 three-year goal) marketing/outreach events and 6 (of 16 three-year goal) training workshops in 2006.

The program successfully reached 41% of its total 3-year savings goals by the end of 2006. These projects were completed because of trust, credibility, technical support and financial incentives that are key to VCREA relationships with participating agencies.

Problems encountered with Partnership and/or Third Party Programs

As a continuing partnership, the VCREA had the necessary contract commitment documents to roll out programs in the first quarter while the partners were engaged in contract negotiation. The Partnership Agreement was executed in third quarter.

South Bay Cities Energy Efficiency Savings Center (SCG3522) Narrative

The South Bay Partnership provides an energy resource center, the South Bay Energy Savings Center (SBESC) and supports fifteen local governments of the South Bay and their communities. The program provides energy information, workshops and community outreach. In 2006, the South Bay Cities Council of Governments/South Bay Energy Savings Center (SBCCOG/SBESC) expanded services to include a Public Facilities Energy Efficiency Plus (EE+) Initiative. The mission of the EE+ program is to deliver significant and measurable energy savings by coordinating joint procurement of energy efficient products and services on behalf of public agencies. This approach reduces the overall costs for both the procurement process as well as the services delivered through economies of scale. The EE+ program provides small cities and school/special districts with energy efficient equipment they otherwise might not afford in addition to offering project coordination and technical support that saves staff time and money. The Energy Efficiency Plus (EE+) element of the program continues to provide technical assistance to cities and businesses to help identify energy efficiency opportunities and access to statewide and local energy efficiency incentive and rebates to realize hard energy savings.

As one of its program elements, SBESC delivered training workshops and conducted community outreach events in the South Bay area. In 2006, 4 (out of 6) public sector training events, 8 (out of 12) business training events, 21 (out of 30) residential training events, 75 (goal 18) community outreach events and 3 (out of 3) community sweeps have been completed. The program has reached over 50% of the training goals and 416.67% of the community outreach event goals.

Additionally, SBCCOG formed partnerships with two local water agencies in 2006 to add the element of water conservation to the energy efficiency programs currently offered through South Bay Energy Savings Center. This approach provides synergy to energy efficiency and water conservation. Furthermore, this approach ensures that when inquiries are made regarding one SBESC program, information encompassing both energy and water is presented as a comprehensive package, thereby providing one stop services to the customer as well as leveraging the greatest environmental and economical benefits.

Problems encountered with Partnership and/or Third Party Programs

Coordination and provision of SBCCOG/SBESC EE+ services to 15 public agencies, in addition to expanding the program to local businesses, has proved a challenge but one which we have met. SBCCOG/SBESC is working to establish on-site technical support in the Energy Center one to two days per week to ensure the EE+ program more expeditiously meets the needs of public agencies and business community.

Bakersfield/Kern County Energy Watch (SCG3523) Narrative

The Bakersfield and Kern County Energy Watch Partnership will build on the prior achievements of the 2004-05 program in reducing energy use by providing energy efficiency information and direct installation of energy efficient equipment to homeowners in general and small businesses in targeted areas. The 2006-2008 program will be enhanced by a new component that offers training to city building inspectors. This Partnership is being done in conjunction with Pacific Gas and Electric Company (PG&E), and Southern California Edison (SCE), the City of Bakersfield, and Kern County. The Partnership was designed to achieve immediate, long-term peak energy and demand savings and establish a permanent framework for sustainable, long-term, comprehensive energy management programs and set the foundation for sustainability and best practices for the Partnership's participating jurisdictions and customers.

Problems encountered with Partnership and/or Third Party Programs

1. Delays getting the Partnership Agreement signed and contractor agreements created delays for rolling out the program
2. SCG had planned to replace pre-rinse nozzles with low flow models for food service customers; however, we found that many customers are not using pre-rinse equipment.

Energy Coalition-Peak (SCG3524) Narrative

The Community Energy Partnership (CEP) is a multidimensional collaborative that delivers programs educating communities about sustainable energy efficiency in Southern California. The CEP includes ten partner cities: Brea, Cathedral City, Corona, Hermosa Beach, Irvine, Moreno Valley, Palm Desert, San Bernardino, Santa Clarita, and Santa Monica. This education takes place in collaboration with The Energy Coalition, City Partners and Utility Partners (the Partnership) through various channels including energy rallies, efficiency makeovers, outreach at community events, tune-ups and PEAK Student Energy Actions. PEAK Student Energy Actions is an educational program that empowers students, through real-world applications, to effectively manage their energy future.

The foundational concept behind PEAK is that in order to truly empower students to manage energy use, they must understand the entire energy equation—from the science of how energy is created to the environmental impact of generating electricity to the energy bills of a family. Students learn to value energy and to promote sustainable energy use in their homes, schools, and in the community through the use of four PEAK Student Energy Actions:

1. Plugging into New and Efficient Technologies.
2. Shrinking Use through Conservation.
3. Shifting Use Off Peak Hours.
4. Exploring Renewable Energy.

Problems encountered with Partnership and/or Third Party Programs

None

Energy Coalition-Direct Install (SCG3525) Narrative

The Community Energy Partnership (CEP) is a multi-dimensional collaborative that delivers programs educating communities about sustainable energy efficiency in Southern California. The CEP includes ten partner cities: Brea, Cathedral City, Corona, Hermosa Beach, Irvine, Moreno Valley, Palm Desert, San Bernardino, Santa Clarita, and Santa Monica. The Energy Coalition, City Partners and Utility Partners (the Partnership) work collaboratively to create awareness about efficiency through the delivery of energy efficient products into homes and small businesses. The program creates a stream of immediate "hard" savings through a variety of initiatives including community efficiency tune-ups, torchiere lamp exchanges, CFL distributions, demonstration projects and community outreach events.

Problems encountered with Partnership and/or Third Party Programs:

Partnership agreement was not signed in 2006 which resulted in a delayed launch of small business, and residential tune-ups. The program is now up and running. Small Business, and Residential Tune-ups are being completed in the partnering cities. The program will complete tune-up by year end 2008.

California Urban Water Conservation Council (SCG3526) Narrative

This is the third phase of this direct-install incentive-based program that replaces high energy and water use pre-rinse spray valves with more efficient models at food service facilities: restaurants, cafeterias, institutional kitchens and food preparation companies. There is no cost to the participants and water utilities throughout the state are contributing a portion of the funds for program implementation. This program targets hard-to-reach food service operators.

Problems encountered with Partnership and/or Third Party Programs:

There are two reasons for low production in 2006:

- The program started up several months later than expected.
- The program to date response rate is tracking at 20%, well below the previous phases' rate of 50%. This is due to two main factors: saturation and no spray valve set up.
 - **Saturation:** As would be expected saturation has increased since Phase 1 of the program. It is becoming much harder to cost effectively outreach to food service facilities in a door-to-door style because on any given street many of the sites have been done and therefore the field reps canvass area is not as concentrated.
 - **No Spray Valve Set Up:** Many of the outlying communities that were not hit in previous phases that are being targeted in Phase 3 are older communities and most of the food service facilities in those areas do not have a valve set up. This has reduced our response rate significantly.

Los Angeles County Energy Efficiency Collaboration (SCG3527) Narrative

The 2006-08 SCE/SCG/County of Los Angeles Energy Efficiency Partnership is a continuation of the successful partnership implemented in 2004-2005. The partnership team consists of the County of Los Angeles Internal Services Division (LAC/ISD) and the Investor Owned Utilities (IOUs): Southern California Edison (SCE) and Southern California Gas Company (SCG). The partners will apply the lessons learned from its previous project implementation experience, as well as from other existing, successful partnership programs. This scope of this program will focus on retro-commissioning and retrofit activities in County facilities, will apply some of the recommendations from the Public Agency Collaboration study and will explore opportunities to expand the partnership to include retrofit and retro-commissioning activities in other county affiliated agencies. These agencies may include the Los Angeles County Office of Education (LACOE), the Los Angeles Unified School District (LAUSD), and the Los Angeles County Metropolitan Transportation Authority (LACMTA). The Investor Owned Utilities (IOUs) will collaborate with LA County's Internal Services Division to continue.

Problems encountered with Partnership and/or Third Party Programs

None

Retro-commissioning (RCX) with SCE (SCG3528) Narrative

Retro-commissioning (RCx) Program (SCG3528) is a unique energy efficiency effort aimed at cost-effective energy savings. Incentives for electricity-based measures found as part of the RCx process will be coordinated with SCE. The program is designed to expand building system optimization and RCx capabilities in the joint SCE and SCG service territories with program features that directly address market barriers, as well as to ensure the persistence of the program benefits. These objectives are met through the development of building and owner/operator candidate screening protocols, use of specific building system optimization and RCx protocols, building operator and commissioning provider trainings. Additional management tools will be used to keep the project on schedule and to assist with program and project budgeting

Problems encountered with Partnership and/or Third Party Programs

The contracting process between the two utilities has been cumbersome and the experience gained will enhance future interaction as the RCx partnerships continues into the 2009-11 program cycle.

Energy Efficiency Kiosk Pilot (SCG3529) Narrative

The Energy Efficiency Kiosk Pilot Program promotes energy efficiency behaviors and upgrades to homeowners through kiosks at lending institutions at a significant decision point. The interactive kiosks provide the most engaging and practical information possible to encourage homeowners to implement energy efficiency measures.

Problems encountered with Partnership and/or Third Party Programs

The kiosk is a highly technical, multi-language project and program planners had not anticipated the complexity of the review process. Because of the unique nature of the kiosk program and its video development (production is in three languages—English, Spanish and Mandarin), legal and communications departments from SoCalGas and Southern California Edison were involved in numerous approval phases. A process for these multiple approvals was developed that accommodated the interaction between the utilities, their departments and the creative team.

Portfolio of the Future (SCG3530) Narrative

The Portfolio of the Future Program is comprised of multiple diverse activities designed to help SoCalGas identify and evaluate promising emerging natural gas efficiency technologies. The Portfolio Program starts with a comprehensive scan of technologies and an evaluation of their readiness for commercialization. The inventory of technology opportunities will then be prioritized in accordance with criteria to be established with SoCalGas. From this ranked inventory, a portfolio of studies and activities, including pilot demonstration projects and testing of new business models, will be implemented. The overarching goal of this program is to advance development of promising technologies for possible inclusion in SoCalGas' energy efficiency programs.

Problems encountered with Partnership and/or Third Party Programs

Recognizing the procedural timelines for CPUC approval of utility programs, and the amount of time needed to issue competitive solicitations, select contractors and negotiate contracts, the targeted start date of January 1st was unrealistic. Given that the program did not begin until July 1st, the 2006 goals were difficult to attain.

PACE Energy Efficiency Ethnic Outreach (SCG3531) Narrative

The Energy Efficiency Ethnic Outreach Program, renamed PACE Energy Savings Project, promotes the energy savings programs to residential single family, multi-family and small business customers of The Gas Company who belong to the Chinese, Korean, Hispanic and Vietnamese ethnic groups. The program strives to increase awareness and increase participation in the residential and small business rebate programs. All outreach efforts are conducted in language.

The program's outreach activities to target customers of The Gas Company include providing energy efficiency rebate program information, distribution of faucet aerators, assisting in the completion of the Home Energy & Water Efficiency Surveys. The program also seeks to encourage food service owners or operators to attend Gas Company seminars and demonstrations that promote efficiency in operating food-related businesses.

Problems encountered with Partnership and/or Third Party Programs

As a first time implementer, PACE Energy Savings Project staff encountered some difficulty in adapting to The Gas Company's review and approval process. This challenge has gradually diminished and turnaround time has greatly improved.

One program deliverable includes translation of The Gas Company residential rebate program materials into Chinese, Korean, Spanish and Vietnamese. However, due to changes in 2007 program measures, the rebate program materials were not available in 2006. The Gas Company provided materials to PACE once program changes were finalized. Since the program contract was signed in August 2006, the focus from August – December was to develop a marketing plan and outreach strategy in order to launch the program in 2007.

Chinese Language Outreach (SCG3532) Narrative

The Custom Language Efficiency Outreach (CLEO) Program, is a non-resource, local, highly-targeted, and residential energy efficiency marketing, outreach, education, and training program that targets hard-to-reach, Vietnamese, Indian, Chinese, and Korean (VICK) speaking residential customers of Southern California Edison (Edison) and Southern California Gas Company (SCG).

The program markets Edison and SCG programs and its energy efficiency education and training using local ethnic media (TV, radio, and newspapers), business organizations, and community events. The program's marketing efforts garner interest for and lead to participation in CLEO seminars and energy audits. CLEO will target joint SCE and SCG customers in the areas of Los Angeles, San Bernardino, and Orange Counties with high concentrations of Asian customers.

Problems encountered with Partnership and/or Third Party Programs

No problems encountered in 2006.

California Sustainability Alliance (SCG3533) Narrative

The California Sustainability Alliance Program is designed to increase and accelerate adoption of energy efficiency by packaging it with complementary "sustainability" measures (i.e., energy and water use efficiency, renewable energy, waste management, and transportation management). In this manner, energy efficiency can be achieved more effectively and cost effectively, increasing net societal benefits and maximizing benefits to California ratepayers. The scope will include multiple projects and programs, all dedicated towards (1) advancing and promulgating the body of sustainability best practices, tools and techniques; (2) leveraging the collective resources of all partners -- both public and private; local, state and federal; and (3) developing educational and outreach materials to widely disseminate the body of emerging and existing best practices

Problems encountered with Partnership and/or Third Party Programs

Recognizing the procedural timelines for CPUC approval of utility programs, and the amount of time needed to issue competitive solicitations, select contractors and negotiate contracts, the targeted start date of January 1st was unrealistic. Given that the program did not begin until July 1st, the 2006 goals were difficult to attain.

Resource Action School Target Living Wise (SCG3534) Narrative

This program combines classroom learning and home retrofit/audit projects completed by sixth grade students and their parents. This is a SCE/SCG joint program, led by SCE.

SCG is currently waiting for the Purchase Order from SCE formalizing the agreement. To compensate for the delay, implementer has been actively soliciting water agency involvement and has prepared all program materials for immediate approval.

Problems encountered with Partnership and/or Third Party Programs

N/A

Calif Mfg Tech VeSM Advantage Plus (SGC3535) Narrative

VeSM reduces working capital cost by improving through-put capacity per therm of consumption. This is achieved by eliminating/reducing non-value added elements in manufacturing, and in return the energy associated to those non-value added elements are saved and captured. Some examples of non-value added elements are overproduction, waiting, and defects. Implementing VeSM is a non-equipment replacement improvement program.

Problems encountered with Partnership and/or Third Party Programs:

The problem encountered by VeSM was being able to reach the proper manufacturing customers that do business in the SCG territory. The beginning months of the VeSM program proved to be difficult in terms of the number of customer participation.

Constant Volume Retrofit Program-CVRP (SCG3536) Narrative

CVRP is a pilot program. QuEST will take 6 participating customer who have Constant Air Volume reheat mechanical systems for multi-zone distribution, and retrofit it to Variable Air Volume system by:

- Changing out motors for supply and return fan if not VFD rated
- Install wireless sensors
- Install wireless actuation modules
- Install wireless network manager and digital controller

Customer will receive approximately \$6.30 per therm saved annually.

Problems encountered with Partnership and/or Third Party Programs: The problems encountered with CVRP is:

- the hardship of reaching the decision makers
- overcoming the customer's reservation on the proposed wireless technology
- long lead time for customer signups due to legal reviews

Designed for Comfort (SCG3537) Narrative

The Designed for Comfort program is an energy efficiency incentives program targeting existing affordable housing projects that are three or more attached dwelling units (Multifamily). This program started in August 2006 and is expected to be completed by December 2008. The program uses a performance-based approach (using CEC approved simulation software-EnergyPro and Micropas) to encourage affordable housing property owners to choose the most cost-effective measures to achieve a 20% energy improvement over existing building conditions. Measures include high performance windows, better insulation, high-efficiency heating, cooling, and water heating equipment.

Problems encountered with Partnership and/or Third Party Programs

Despite the budget challenges, HMG continues to struggle with budgeting, planning, and the ability to reserve funding for projects based on the new incentive split formula. It is very difficult for HMG to project the dollar amount of incentives paid to the owner, or how this amount will be divided between utilities until a project is analyzed and plan checked. Since the project owner must first invest in the energy consultant and HERS rater, the investment risk may discourage participation making it more costly and difficult to implement this program.

Cypress Gas Cooling Upgrade (SCG3538) Narrative

Gas cooling units are installed in homes and small businesses throughout the Southern California Gas Company (SCG) service territory. These units are old and may fail soon, so customers are entering the market and may replace the units. The market share for gas cooling has been on the decline over the years due to a variety of factors including rising gas rates, lower costs for the electric alternative product, high equipment prices for the gas units, limited product choice (few manufacturers) poor market strategy by the upstream players, and lack of quality assurance for the product and lack of qualified installers. This program will work to assist in the replacement of these old existing units and transition to new high efficiency gas AC equipment instead of alternative technologies.

Problems encountered with Partnership and/or Third Party Programs

Program Issues Identified 8/06 to 12/06

Gas A/C product availability: Needed to get potential manufacturers to get their products certified with CEC to meet program requirements. Delayed payment of rebates until certification.

Market channel of manufacturers, distributors, and contractors had deteriorated to near non-existence. Needed to work with channel to regenerate interest. Certification, product stocking, equipment warranty, contractor training initiatives needed to begin.

Late summer start was poor timing, missed most of summer sales cycle that is important to generating sales. Without a program in place some gas units were replaced with electric.

Example: A Community College replaced approximately 70 existing 5 ton gas AC units with 70 5 ton electric DX units and has standardized on electric chillers for their larger applications.

There was no existing identified customer database available for marketing effort.

Current gas rates and lack of competitive gas cooling AC rate minimized customer economic benefit.

Rebate levels at \$.575/therm not as effective for customer as other rebate programs paying rebates at higher levels.

American Synergy Mobile/Manuf Home (SCG3539) Narrative

The Mobile/Manufactured Home Innovative Outreach and Measure Program provides qualifying mobile home customers with no-cost energy conservation evaluations and installation of energy efficiency products to improve overall efficiency in their home. This program also deploys a creative marketing program to teach energy efficiency in Mobile parks and at neighborhood meetings.

Problems encountered with Partnership and/or Third Party Programs

Synergy has worked closely with SCE-SCG to review all processes and great strides have been made to confirm that the technicians are providing accurate “completed work” information and then to establish the checks and balances in the data entry process to verify the integrity of the data entry information. These processes are now implemented and functioning.

The next challenge is obtaining correct customer account information. SCE-SCG has indicated to Synergy that having the correct service account number and/or site address will be essential to process each invoice. This is expected to be a huge undertaking because of the variations of addresses in Mobile Home Parks. Some homes are on multiple master meters in a park or the customer does not have the utility bill at the time our technicians are at the worksite.

Synergy has coordinated its efforts such that there have been no problems coordinating with other third party programs, partnerships or other utility programs.

Cal-UCONS Laundry Coin-op (SCG3540) Narrative

The primary goal of the program is to promote the installation of Energy Star equivalent standards for commercial-grade clothes washers to replace inefficient commercial clothes washer’s as served by gas or electric water heaters in high-usage Laundromats, institutions and multifamily facilities.

The energy savings will be achieved by providing appropriate rebates and education on overall energy and water savings to property managers and owners, equipment manufacturers and residential and small commercial leasing companies to facilitate the replacement and early retirement of existing leased or company owned equipment. Additional energy savings will be achieved concurrently by installing pipe wrap and lighting measures. The program shall market and provide outreach approaches to bring multiple decision makers and stakeholders together to facilitate energy efficiency actions in the commercial washer industry. The primary decision makers and stakeholders this program will include the following types of customers:

- Owners or Leasers of commercial clothes washers at Laundromat, institutions and multi family property managers and owners;
- Commercial washer leasing companies; distributors and route operators;
- Commercial washer equipment manufacturers; and
- Water agencies, municipalities and companies serving So Cal Gas and Southern California Edison

Problems encountered with Partnership and/or Third Party Programs:

Heavy discounting from manufacturers for inefficient top load washers is driving the sale of these to distributors and leasing companies who in turn are unloading them on their customers. This has created a significant gap in the price points between washers that qualify for rebates and those that don't.

In addition to the heavy discounting from manufacturers there exists in the marketplace a glut of inefficient top load washers in inventory by the distributors and leasing companies. These stores of top load washers contribute to market forces that are not favorable for a change in the way the industry does business – and their reliance on top load washers.

Savings by Design (SCG3542) Narrative

Due to the nature of new construction with long lead time, not having any committed carryover from previous years, and offering only gas therm savings, one project utilizing the systems approach, a pre-heat combustion air intake measure was successfully implemented during the past year that contributed to portfolio energy savings results. However, several projects consisting of whole building analysis and the systems approach were committed in 2006 for installations in 2007 and 2008.

The no-cost design assistance and specialized engineering analysis services given to project decision makers have been instrumental components of our program strategies providing us the ability to gain and influence our customers in implementing energy efficiency measures.

Programs that were ultimately dropped from the portfolio during the past year and why:

Program Name/CPUC Number:

SoCalGas/SCE Joint Savings By Design Program /SCG3511

SoCalGas/Municipal Electric Utility Savings By Design Program/SCG3512

Reason why program was dropped (discontinued)

SoCalGas consolidated its SoCalGas/SCE Joint Savings By Design Program and SoCalGas/Municipal Electric Utility Savings By Design Program into the SoCalGas Savings By Design Program (SCG3542), both of which were nonresidential new construction programs. The consolidation resulted in program administration and customer marketing & outreach efficiency. Because Los Angeles Department of Water & Power chose not to offer SBD, the requirement for two separate programs (a Joint Municipality and a Joint SCE program distinction was no longer necessary. Moving forward, under the consolidated SoCalGas Savings By Design Program, all SoCalGas Customers, regardless of their electric supplier, will be targeted for gas saving opportunities. SoCalGas will fund gas incentives and Southern

California Edison will fund the electric incentives in their joint territory. SoCalGas will continue to pursue opportunities to collaborate with Municipal Electric Utilities where the Muni would fund the electric incentives.

This consolidation also resulted in a combined energy goal equal to each of the original program goals. There was no reduction in the overall goal for both programs. The total incentives available to customers were not reduced.

How the Utility plans to meet the Commission's portfolio goals in the coming year:

SoCalGas plans to meet the Commission's portfolio goals in the coming year by targeting "hard-to-reach" industrial customers and introducing to them energy efficiency industrial process design. SoCalGas will develop a targeted media campaign promoting industrial incentive programs and services. SoCalGas also plans to study and implement appropriate incentive caps for the industrial market in an effort to minimize lost opportunities, identify ways for the commercial new construction customer to participate, and address their energy efficiency needs as well.

SECTION 1

ENERGY SAVINGS

The purpose of this table is to report the annual impacts of the Energy Efficiency portfolio of programs implemented by SoCalGas for the 2006-2008 program cycle. The annual impacts are reported for each year of the program cycle beginning in 2006 in terms of annual and lifecycle energy savings in natural gas savings in MMth (million therms). The report shows annual savings ("Installed Savings") that reflect installed savings, not including commitments. The values in the Installed Savings column include savings from the Low-Income Energy Efficiency Program and pre- 2006 Codes and Standards advocacy work (LIEE and C&S savings are broken out as separate line items in Table 8 - Savings by End-Use).

Table 1

A	B	C	D	E	F
Table 1.					
<i>Electricity and Natural Gas Savings and Demand Reduction</i>					
Annual Results	Installed Savings	CPUC Adopted in D. 04-09-060 Goal (Year)	% of Goals (Year)	% of 3-year Goals (Portfolio)	Balance
2006 Energy Savings (GWh) – Annual	-				
SCG	-				
TOTAL Energy Savings (GWh) - Annual	-				
2006 Energy Savings (GWh) – Lifecycle	-				
SCG	-				
TOTAL Energy Savings (GWh) – Lifecycle	-				
2006 Natural Gas Savings (MMth) – Annual	11		38%	10%	
SCG	11		77%	20%	
TOTAL Natural Gas Savings (MMth) – Annual	11		10%	10%	
2006 Natural Gas Savings (MMth) – Lifecycle	146				
SCG	146				
TOTAL Natural Gas Savings (MMth) – Lifecycle					
2006 Peak Demand savings (MW)	-				
SCG	-				
TOTAL Peak Demand savings (MW)	-	1,448			
Table 1.					
<i>Electricity and Natural Gas Savings and Demand Reduction</i>					
<p>The purpose of this table is to report the annual impacts of the Energy Efficiency portfolio of programs implemented by PGE, SCE, SDGE, and SCG during the 2006-2008 program cycle. The annual impacts are to be reported for each year of the program cycle in terms of annual and lifecycle energy savings in GWh (Gigawatt hours), annual and lifecycle natural gas savings in MMth (million therms), and peak demand savings in MW (Megawatts). The utilities will report annual savings in Column B ("Installed Savings") to reflect installed savings, not including commitments. The values in the Installed Savings column include savings from the Low-Income Energy Efficiency Program and pre-2006 Codes and Standards advocacy work (LIEE and C&S savings are broken out as separate line items in Table 8 - Savings by End-Use).</p>					
Data Sources					
<p>All of the data, except for lifecycle savings, can be found in Table 1.4 "Portfolio Impacts - Annual" of the utility monthly reports, which include the individual utility Annual Goals adopted by the Commission in D.04-09-060 and installed savings, in terms of kW, kWh, and therms (should be converted to MW, GWh, and MMth, respectively). The utilities are not currently required to report lifecycle electricity and natural gas savings in either the monthly or quarterly reporting requirements, nor are there any goals for lifecycle savings adopted by the Commission. The annual values for lifecycle electricity and natural gas savings should be generated from the E3 calculators. The values in the table above and in the attached spreadsheet were taken from the E3 input/output spreadsheets submitted with the utility 2006 fourth quarter report, as required per ALJ Ruling dated December 21, 2006.</p>					

SECTION 2

EMISSION REDUCTIONS

The purpose of this table is to report the annual incremental environmental impacts of the Energy Efficiency portfolio (for both electricity and natural gas) of programs implemented by SoCalGas during the 2006-2008 program cycle beginning in 2006 as adopted by the CPUC in D.05-09-043. Parties agreed that the impacts should be in terms of annual and lifecycle tons of CO₂, NO_x, SO_x, and PM₁₀ avoided and should come from the E3 calculator.

Table 2

A	B	C	D	E	F	G	H	I
Table 2 <i>Environmental Impacts</i>								
Annual Results	Annual tons of CO2 avoided	Lifecycle tons of CO2 avoided	Annual tons of NOx avoided	Lifecycle tons of NOx avoided	Annual tons of SOx avoided ¹	Lifecycle tons of SOx avoided ¹	Annual tons of PM10 avoided	Lifecycle tons of PM10 avoided
2006 Portfolio Targets								
	-	-	-	-	-	-	-	-
2006 Total	64,151	822,880	53	406	-	-	0	1
SCG	64,151	822,880	53	406	-	-	0	1
Total for 3-year Portfolio	64,151	822,880	53	406	-	-	0	1
<p>Footnote 1: The avoided SOX reductions are not calculated in the E3 calculator. It was determined by E3 that none of the IOUs uses coal power on the margin and the energy efficiency savings have impact on the margin only. This is the basis for the E3 analysis as reviewed by all interested parties and approved by the Commission.</p> <p>Table 2 <i>Environmental Impacts</i></p> <p>The purpose of this table is to report the annual incremental environmental impacts of the Energy Efficiency portfolio (for both electricity and natural gas) of programs implemented by PG&E, SCE, SDGE, and SCG during the 2006-2008 program cycle as adopted by the CPUC in D.05-09-043. Parties agreed that the impacts should be in terms of annual and lifecycle tons of CO2, NOX, SOX, and PM10 avoided and should come from the E3 calculator</p> <p>Data Sources:</p> <p>Targets - The targets for Annual tons of CO2 avoided are provided in this worksheet and are taken from D.05-09-043, Table 2 (updated in D.06-04-064). These targets are the total savings from both electricity and natural gas savings. There are no targets currently for NOX, SOX, or PM10.</p> <p>The reported annual results for CO2, NOX, and PM10 reductions will be generated from the E3 calculator and use when appropriate the same assumptions as noted in footnote 1 of D.05-09-043. The E3 calculator records NOX and PM10 reductions in units of "pounds per year" - for the purposes of this annual report these values should be converted to units of "tons per year" by dividing the number of "pounds per year" by 2000 pounds/ton. Currently, SOX is not captured in the E3 calculator, so for the purposes of annual reporting of SOX reductions, the utilities will use the E3 tool to calculate an annual value for SOX reductions and will footnote the emission rate used in the calculation.</p>								

SECTION 3 EXPENDITURES

The purpose of this table is to report the annual costs expended by SoCalGas in implementing the 2006-2008 Energy Efficiency portfolio of programs beginning in 2006. The report shows the “Total Portfolio Expenditures” broken out into Administrative Costs, Marketing/Advertising/Outreach Costs, and Direct Implementation Costs for the entire portfolio; the next two sets of expenditures represent sub-components of the portfolio already included in the Total Portfolio Expenditures totals: 1. Total Competitive Bid Program Expenditures (sub-component of portfolio), and 2. Total Partnerships (sub-component of portfolio). The last component is “Total EM&V” (separate from portfolio) expenditures will be reported for the IOU and Joint Staff.

Table 3

A	B	C	D	E
Table 3				
<i>Expenditures</i>				
Summary of Portfolio Expenditures	Adopted Program Budget (3 - Yr)	Cumulative Annual Expenditures	Percent of Portfolio Budget (3-yr)	Percent of Total Annual Expenditures
Total Portfolio Expenditures				
Administrative Costs		4,339,370	2.64%	21.99%
Marketing/ Advertising/ Outreach Costs		3,188,645	1.94%	16.16%
Direct Implementation Costs		12,202,178	7.43%	61.85%
Total Portfolio Expenditures	\$ 164,120,447	19,730,193	12.02%	100.00%
<i>Total Competitive Bid Program Expenditures (sub-component of portfolio)</i>				
Administrative Costs		359,278	0%	2%
Marketing/ Advertising/ Outreach Costs		602,796	0%	3%
Direct Implementation Costs		829,985	1%	4%
Total Competitive Bid Program Expenditures		1,792,060	1.09%	9.08%
<i>Total Partnership Program Expenditures (sub-component of portfolio)</i>				
Administrative Costs		658,057	0%	3%
Marketing/ Advertising/ Outreach Costs		119,883	0%	1%
Direct Implementation Costs		176,584	0%	1%
Total Partnership Program Expenditures		954,524	0.58%	4.84%
Total EM&V Expenditures (separate from portfolio)				
EMV IOU	\$ 3,661,275	86,281	2.36%	46%
EMV JOINT STAFF	\$ 9,779,754	103,325	1.06%	54%
Total EM&V Expenditures	\$ 13,441,029	189,606	1.41%	100.00%

Table 3*Expenditures*

The purpose of this table is to report the annual costs expended by PGE, SCE, SDGE and SCG in implementing the 2006-2008 Energy Efficiency portfolio of programs. For the purposes of the annual report, each program administrator will first report *Total Portfolio Expenditures* broken out into Administrative Costs, Marketing/Advertising/Outreach Costs, and Direct Implementation Costs for the entire portfolio; the next two sets of expenditures represent sub-components of the portfolio already included in the *Total Portfolio Expenditures* totals: 1. *Total Competitive Bid Program Expenditures (sub-component of portfolio)*, and 2. *Total Partnerships (sub-component of portfolio)*. These expenditures must also be broken out into Administrative Costs, Marketing/Advertising/Outreach Costs, and Direct Implementation Costs. Finally, the *Total EM&V (separate from portfolio)* expenditures will be reported for the IOU and Joint Staff.

Data Sources:

The utilities report portfolio expenditures broken out into administrative costs, marketing and outreach, and direct implementation for each program in the quarterly reports posted to <http://eega2006.cpuc.ca.gov>. EM&V costs are also reported in each utility quarterly report.

SECTION 4

COST EFFECTIVENESS

The purpose of this table is to provide an annual update on the cost effectiveness of the portfolio of programs being implemented in the 2006-2008 program cycle beginning in 2006. The targets above are at the portfolio level, so an annual average is used in order to compare the current annual estimates of cost effectiveness with the cost effectiveness levels that were estimated at the time the portfolios were adopted. The report includes the SoCalGas results and goals.

Table 4

A	B	C	D	E	F	G	H	I	J
Table 4 Cost Effectiveness									
Annual Results	Total Cost to Billpayers (TRC)	Total Savings to Billpayers (TRC)	Net Benefits to Billpayers (TRC)	TRC Ratio	Total PAC Cost	PAC Ratio	PAC Cost per kW Saved (\$/kW) ¹	PAC Cost per kWh Saved (\$/kWh)	PAC Cost per therm Saved (\$/therm)
2006 - 2008 TARGETS									
Average per year									
SCG	\$ 35,823,263	\$ 67,290,907	\$ 31,467,644	1.88	\$ 19,584,517	3.44	N/A	N/A	\$0.23 /therm
[Utility] TOTAL	\$ 35,823,263	\$ 67,290,907	\$ 31,467,644	1.88	\$ 19,584,517	3.44			

Footnote 1: The adopted avoided cost methodology does not provide information to provide a meaningful value for PAC Cost per kW. The adopted avoided cost methodology created kWh costs values that vary for each hour of the year that includes kW generation capacity costs. The current PAC Cost per kWh includes all ratepayer financial costs incurred in producing electric savings. The same costs would have to be reallocated if a PAC Cost per kW were presented. Additionally, the current approved calculator does not have the capability to calculate discounted kW, nor is it clear whether an annualized cost per kW or total cost per kW is more useful.

Table 4
Cost Effectiveness

The purpose of this table is to provide an annual update on the cost effectiveness of the portfolio of programs being implemented in the 2006-2008 program cycle. The three year portfolio targets are divided by three to get an annual average for comparison to yearly results. Each utility Annual Report will include the results and goals for their respective utility.

Data Sources:

Except for Col. F "Total PAC Cost" and Col. H - "PAC Cost per kW saved (\$/kW)", the values in the above table are all reported in each utility quarterly report in Table 1 of the "Portfolio Metrics" tab. Information not captured in the quarterly report should come from the E3 calculator. The targets that are listed are from Table 1: Summary Table of Portfolio Cost-Effectiveness (2006-2008) from D.05-09-043 and are at the portfolio level.

SECTION 5

BILL PAYER IMPACTS

The purpose of this table is to report the annual impact of the energy efficiency activities on customer bills relative to the level without the energy efficiency programs, as required by Rule X.3 of the Energy Efficiency Policy Manual version 3, adopted in D.05-04-051.

Table 5

A		B	C
Table 5			
<i>Ratepayer Impacts</i>			
[Year]	Electric Average Rate (Res and Non-Res) \$/kwh	Gas Average Rate (Core and Non-Core) \$/therm	Average First Year Bill Savings (\$)
SCG	NA	\$0.444	\$ 5,048,189
[Utility] Average			\$ 64,833,802

Table 5

Ratepayer Impacts

The purpose of this table is to report the annual impact of the energy efficiency activities on customer bills relative to the level

Data Sources

This information is currently not reported in the monthly and quarterly reports. Parties agreed to report bill savings using the methodology used by the utilities to calculate bill payer savings in Attachment 7 of D.05-09-043.

SECTION 6

GREEN BUILDING INITIATIVE

The purpose of this table is to record the amount of savings attributable to California's 2006-2008 Energy Efficiency portfolio that contribute to meeting the Governor's Green Building Initiative Goal of reducing energy use in state-owned buildings by 20 per cent by 2015 (with a 2003 baseline). Expenditures are for program activities that contribute towards GBI goals. Annual GWH, MW, and Million therms are cumulative net values.

Table 6

A	B	C	D	E	F	G	H	I	J	K
Table 6										
Green Building Initiative										
2006	Expenditures	Goal	GWH		MW			MMth		
			Annual	% of Goal	Goal	Annual	% of Goal	Goal	Annual	% of Goal
SCG	\$ 8,245							0.20839	0.012147	6%
[Utility]										

The purpose of this table is to record the amount of savings attributable to California's 2006-2008 Energy Efficiency portfolio that contribute to meeting the Governor's Green Building Initiative Goal of reducing energy use in state-owned buildings by 20 per cent by 2015 (with a 2003 baseline). Expenditures are for program activities that contribute towards GBI goals. Annual GWH, MW, and Million therms are cumulative net values.

Data Sources

The utilities report GBI data in their quarterly status reports including: Table 4.1 "GBI Goals and Results", Table 4.2 "GBI results by NAICS Code", Table 4.3 "GBI Results by End-Use Classification".

SECTION 7

SHAREHOLDER PERFORMANCE INCENTIVES

The tables for the 2006-2008 shareholder performance incentive has not yet been determined by the Commission. Therefore, there is no information presented in this report.

SECTION 8

SAVINGS BY END-USE

The purpose of this table is to show annual portfolio savings by Residential and Non-Residential end-uses and those savings attributable to the LIEE program, the Codes and Standards pre-2006 advocacy work,

Table 8

Table 8:
Annual Savings By End-Use

	GWH	% of Total	MW	% of Total	MMTh = 1,000,000 therms	% of Total
Residential	-				1	11.99%
Appliances					1	9.11%
Consumer Electronics					-	0.00%
Cooking Appliances					-	0.00%
HVAC					0	2.87%
Lighting					-	0.00%
Pool Pump					-	0.00%
Refrigeration					-	0.00%
Water Heating					0	0.01%
Other					-	0.00%
Nonresidential	-				8	67.94%
HVAC					2	15.81%
Lighting					-	0.00%
Office					-	0.00%
Process					3	25.60%
Refrigeration					-	0.00%
Other					3	26.53%
Low Income Energy Efficiency					1	7.17%
Codes & Standardss Energy Savings					2	12.90%
SOCALGAS ANNUAL PORTFOLIO SAVINGS	-				12	100.00%

SECTION 9 COMMITMENTS

The purpose of this table is to allow the utilities to report commitments for both the near term (installed savings will be produced within the 2006-2008 program cycle) and long term (commitments entered into during the current program cycle but which are not expected to produce installed savings until after December 2008). This information will be useful for the Commission's resource planning purposes by enabling program activities to be linked to a particular funding cycle.

Table 9

A	B	C	D	E
<i>Table 9</i>				
Commitments				
Commitments Made in the Past Year with Expected Impelmentation by December 2008				
	Committed Funds	Expected Energy Savings		
2006	\$	GWH	MW	MMth
SCG	\$ 3,549,946			3.780755
[Utility] Total				
Commitments Made in the Past Year with Expected Impelmentation <i>after</i> December 2008				
	Committed Funds	Expected Energy Savings		
2006	\$	GWH	MW	MMth
SCG	\$ -			0
[Utility] Total				

Table 9
Commitments

The purpose of this table is to allow the utilities to report commitments for both the near term (installed savings will be produced within the 2006-2008 program cycle) and long term (commitments entered into during the current program cycle but which are not expected to produce installed savings until after December 2008). This information will be useful for the Commission's resource planning purposes by enabling program activities to be linked to a particular funding cycle¹.

Data Sources

The utilities report commitments in Table 1.1 "Program Costs and Impacts", Table 1.2 "Portfolio Costs" and Table 1.3 "Portfolio Impacts" of their monthly status reports. These tables, however, do not differentiate commitments that will produced installed savings with the 2006-2008 program cycle from those commitments that will produced installed savings after the program cycle ends on December 2008.

^[1] Please see page 55 of D.05-04-051

Appendix – Updated Monthly and Quarterly Report

Southern California Gas Company
2006-2008 Monthly Energy Efficiency Program Data Report

Report Month: December 2006

Table 1.1 - Monthly Summary Table

Program ID	Program Name	Budget & Expenditures (\$)					Total Commitments (Inception-to-Date)	Gas Savings (Net Annual Therms)			
		Budget (3 - Yr)	Program Operating (3 - Yr)	Program Expenditures (Inception-To-Date)	Program Expenditures (Report Month)	Total Commitments (Inception-to-Date)		Program Projected (Compliance Filing)	Installed Savings (Inception-To-Date)	Installed Savings (Report Month)	Total Commitments (Inception-to-Date)
SCG3533	3P Alliance Partners Program	\$ 3,270,000.00	\$ 3,505,276.76	\$ 298,364.34	\$ 179,188.17	\$ -	-	-	-	-	
SCG3532	3P Chinese Language Efficiency Outreach Program	\$ 455,181.00	\$ 456,851.17	\$ 29,430.67	\$ 5,918.84	\$ -	-	-	-	-	
SCG3536	3P CVRP	\$ 1,290,000.00	\$ 876,149.76	\$ 10,681.79	\$ 2,450.03	\$ -	159,744	-	-	-	
SCG3537	3P Designed for Comfort	\$ 1,223,133.00	\$ 1,358,409.76	\$ 234,028.02	\$ 171,231.51	\$ -	33,935	-	-	-	
SCG3529	3P Energy Efficiency Kiosk Pilot Program	\$ 900,000.00	\$ 736,851.17	\$ 355,879.70	\$ 68,947.42	\$ -	-	-	-	-	
SCG3538	3P Gas Cooling Upgrade	\$ 944,582.00	\$ 1,101,433.17	\$ 108,574.34	\$ 9,781.69	\$ -	761,460	-	-	-	
SCG3540	3P Laundry Coin-op Program	\$ 7,707,956.00	\$ 5,835,447.76	\$ 158,522.20	\$ 125,281.44	\$ -	3,439,657	29,142	23,834	-	
SCG3534	3P LivingWise	\$ 985,500.00	\$ 1,220,776.76	\$ 13,808.48	\$ 2,565.55	\$ -	557,136	-	-	-	
SCG3539	3P Manufactured Mobile Home Program	\$ 4,572,000.00	\$ 4,728,851.17	\$ 10,692.98	\$ 2,109.87	\$ -	679,930	-	-	-	
SCG3531	3P PACE Energy Efficient Ethnic Outreach Program	\$ 2,915,629.00	\$ 3,072,480.17	\$ 173,289.35	\$ 15,138.05	\$ -	-	-	-	-	
SCG3530	3P Portfolio of the Future	\$ 2,905,000.00	\$ 3,140,276.76	\$ 271,720.08	\$ 97,534.64	\$ -	-	-	-	-	
SCG3541	3P Upstream/Midstream Gas Heat	\$ 6,019,189.00	\$ -	\$ 4,625.73	\$ 286.32	\$ -	406,596	-	-	-	
SCG3535	3P VESM Advantage	\$ 1,935,000.00	\$ 2,128,051.17	\$ 122,442.48	\$ 75,372.74	\$ -	1,195,680	-	-	-	
SCG3523	BKP4-Bakersfield Kern Partnership	\$ 750,000.00	\$ 735,134.30	\$ 17,000.44	\$ 525.41	\$ -	144,000	-	-	-	
SCG3518	CP4-IOU/Community College Partnership	\$ 2,000,000.00	\$ 1,960,360.92	\$ 48,266.90	\$ 5,894.49	\$ -	559,200	-	-	-	
SCG3519	CD4-CA Department of Corrections Partnership	\$ 631,000.00	\$ 618,494.45	\$ 18,793.13	\$ 1,128.21	\$ -	175,200	-	-	-	
SCG3501	CS4-Codes & Standards Program	\$ 900,000.00	\$ 882,161.51	\$ 103,048.66	\$ 6,521.95	\$ -	4,000,000	1,500,000	1,500,000	-	
SCG3526	CUW4-California Urban Water Conservation Council	\$ 1,299,000.00	\$ 1,273,247.47	\$ 13,136.34	\$ 708.65	\$ -	2,541,910	-	-	-	
SCG3525	EC4-Energy Coalition - Direct Install	\$ 456,000.00	\$ 446,961.65	\$ 16,968.35	\$ 708.81	\$ -	68,000	-	-	-	
SCG3524	EC5-Energy Coalition - Peak	\$ 1,374,000.00	\$ 1,346,766.04	\$ 60,349.63	\$ 2,016.72	\$ -	-	-	-	-	
SCG3502	EED4-Advanced Home Program	\$ 8,750,000.00	\$ 8,579,843.54	\$ 1,384,820.82	\$ 170,621.65	\$ 2,745,075.00	220,489	1,510	365	2,756,890	
SCG3503	EET4-Education & Training Program	\$ 6,450,000.00	\$ 6,323,690.72	\$ 1,538,608.94	\$ 129,837.50	\$ -	1,145,000	1,553,936	1,553,936	-	
SCG3504	EMO4-Energy Efficiency Delivery Channel Innovative	\$ 3,000,000.00	\$ 2,940,536.96	\$ 484,877.29	\$ 71,986.13	\$ -	-	-	-	-	
SCG3506	ETP4-Emerging Tech Program	\$ 3,000,000.00	\$ 2,940,537.18	\$ 339,112.89	\$ 27,608.95	\$ -	-	-	-	-	
SCG3507	EXP4-Express Efficiency Rebate Program	\$ 22,101,237.00	\$ 21,673,195.03	\$ 4,135,769.42	\$ 812,152.26	\$ -	11,409,123	4,227,890	1,031,915	-	
SCG3508	FYP4-Statewide Marketing & Outreach	\$ 6,039,129.00	\$ 6,039,129.00	\$ -	\$ -	\$ -	-	-	-	-	
SCG3509	HES4-Home Energy Efficiency Survey	\$ 1,900,000.00	\$ 1,862,569.13	\$ 338,042.18	\$ 119,547.16	\$ -	-	-	-	-	
SCG3527	LAP4-Los Angeles County partnership	\$ 1,500,000.00	\$ 1,470,268.60	\$ 36,894.68	\$ 1,464.48	\$ -	456,000	-	-	-	
SCG3510	MFR4-Multi-Family Rebate Program	\$ 9,500,000.00	\$ 9,315,899.67	\$ 1,177,248.98	\$ 122,803.73	\$ -	5,150,642	749,077	109,513	-	
SCG3511	NEW4-Savings By Design SCG SCE Program	\$ 7,500,000.00	\$ 7,356,475.11	\$ 566,200.60	\$ 29,824.02	\$ 383,961.20	5,291,474	-	-	462,252	
SCG3512	NEW5-Savings By Design SCG Muni Program	\$ 3,000,000.00	\$ 2,940,536.90	\$ 306,384.37	\$ (1,311.46)	\$ 420,909.50	3,016,651	89,864	-	561,613	
SCG3513	NRF4-Local Business Energy Efficiency Program	\$ 26,846,940.00	\$ 26,328,586.39	\$ 3,528,281.31	\$ 966,962.77	\$ -	18,080,999	2,029,606	1,186,366	-	
SCG3514	OBF4-On-Bill Financing for Energy Efficiency Equip	\$ 3,750,000.00	\$ 3,675,672.00	\$ 263,549.99	\$ 22,166.85	\$ -	-	-	-	-	
SCG3528	RCX4-RCx Partnership with SCE	\$ 150,000.00	\$ 147,028.01	\$ 463.80	\$ -	\$ -	72,000	-	-	-	
SCG3522	SBP4-South Bay Partnership	\$ 360,000.00	\$ 352,864.46	\$ 160,359.20	\$ 15,895.92	\$ -	-	-	-	-	
SCG3516	SCD4-Sustainable Communities Demo/City of Sants	\$ 900,000.00	\$ 882,161.16	\$ 4.00	\$ -	\$ -	202,038	-	-	-	
SCG3517	SFR4-Home Efficiency Rebate Program	\$ 19,500,000.00	\$ 19,124,553.20	\$ 2,827,684.72	\$ 267,028.44	\$ -	4,689,314	643,994	51,540	-	
SCG3520	UCP4-IOU/UC/CSU Partnership	\$ 3,060,000.00	\$ 2,999,348.33	\$ 367,062.54	\$ 82,359.75	\$ -	856,800	-	-	-	
SCG3521	UCP4-Ventura County Partnership	\$ 420,000.00	\$ 411,675.20	\$ 215,223.19	\$ 21,312.51	\$ -	-	-	-	-	
LIEE	LIEE Programs						2,792,000	765,231	122,286	-	
Total Portfolio		\$ 170,159,576.00	\$ 160,788,552.52	\$ 19,730,192.53	\$ 3,633,571.17	\$ 3,549,945.70	68,104,979	11,590,251	5,579,754	3,780,755	

Southern California Gas Company
2006-2008 Portfolio Summary Report
Report Month: December 2006

Table 1.2: Portfolio Costs

Adopted Portfolio Budget (3-Yr. Cumulative)	\$ 170,159,576.00
Portfolio Expenditures (Inception-To-Date)	\$ 19,730,192.53
Portfolio Expenditures (Report Month)	\$ 3,633,571.17
Portfolio Commitments (Inception-To-Date)	\$ 3,549,945.70

Table 1.3: Portfolio Impacts - Monthly

Portfolio Installed kW (Report Month)	-
Portfolio Installed kWh (Report Month)	-
Portfolio Installed Therms (Report Month)	5,579,754
Total Portfolio kW Commitments (Inception-To-Date)	-
Total Portfolio kWh Commitments (Inception-To-Date)	-
Total Portfolio Therms Commitments (Inception-To-Date)	3,780,755

Table 1.4: Portfolio Impacts - Annual

	Annual Goals (D.04-09-060)		Annual Program Administrators Projections (Compliance Filing or as Revised)		Installed Savings (Annual, Year-to-Date)		Installed Savings (% of Annual Goals)	
	2006	2007	2008	2008	2006	2007	2008	2008
Net Annual Therms	14,700,000	19,300,000	23,300,000	26,672,658	11,590,251		79%	0%

Table 1.5: Portfolio Impacts - Cumulative

	Cumulative Goals (D.04-09-060)		Cumulative Program Administrators Projections (Compliance Filing or as Revised)		Installed Savings (Cumulative, Inception-to-Date)		Installed Savings (% of Cumulative Goals)	
	2006	2007	2008	2008	2006	2007	2008	2008
Net Annual Therms	14,700,000	34,000,000	57,300,000	68,104,979	11,590,251		79%	0%

Table 1.6: Portfolio Impacts - Aggregated End Use

	Net Annual kWh (Cumulative)	Net Annual Therms (Cumulative)
Residential		
Appliances		1,394,582
Consumer Electronics		1,059,444
Cooking Appliances		
HVAC		333,703
Lighting		
Pool Pump		
Refrigeration		
Water Heating		1,435
Other		
Nonresidential		
HVAC		7,930,439
Lighting		1,839,067
Office		
Process		3,006,329
Refrigeration		
Other		3,085,042
Low Income Energy Efficiency		
Codes & Standards Energy Efficiency		
Total Portfolio		11,590,251

Table 1.7: Portfolio Impacts - Market Sector

	Net Annual kWh (Cumulative)	Net Annual Therms (Cumulative)
Residential		
Single Family		1,394,582
Multi Family		642,954
Mobile Home		749,430
Nonresidential		
Commercial		2,198
Industrial		7,930,439
Agricultural		6,000,990
Low Income Energy Efficiency		1,929,449
Codes & Standards Energy Efficiency		-
Total Portfolio		765,231

Southern California Gas Company
2006-2008 Energy Efficiency Portfolio Benefit/Cost Metrics Report
Quarter Ending December 2006

Table 1: Quarterly Energy Efficiency Portfolio Results

	Inception-To-Date
Total Cost to Billpayers (TRC)	\$ 35,823,263
Total Savings to Billpayers (TRC)	\$ 67,290,907
Net Benefits to Billpayers (TRC)	\$ 31,467,644
TRC Ratio	1.88
PAC Ratio	3.44
PAC Cost per kWh Saved (Cents/kWh)	5.41 cents/kWh
PAC Cost per therm Saved (\$/therm)	\$0.23 /therm

Southern California Gas Company
2006-2008 Energy Efficiency Portfolio Summary Report
Quarter Ending December 2006

Table 2: Quarterly Energy Efficiency Measure Results

Program ID	Program Name	Measure Name	Measure Description	DEER Measure ID	DEER Run ID	Unit Definition	End Use	Market Sector	Market Segment	Gross Electric Energy Savings (kWh)	Gross Peak Demand Reduction (kW)	Gross Gas Savings (therms)	Gross Incremental Measure Cost (\$)	Net-to-Gross Ratio	Effective Useful Life (years)	Units Installed	Units Committed	Rebate Amount Paid
S023507	EXF4-Express Efficiency Rebate Program	311032 Energy Star Clothes Washer - 3.5 cT Tier III MEF = 1.8		D03-951	RPM00AVC373D	Coolies Washer, 1000 sq ft roof.	Proteas	Commercial	81	0.00	0.00	69.75	\$74.92	0.96	10	2,00		\$150.00
S023507	EXF4-Express Efficiency Rebate Program	311033 Steam Trap Replacement - Commercial/Other		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	81	0.00	0.00	139.00	\$223.00	0.96	15	71.00		\$6,070.00
S023507	EXF4-Express Efficiency Rebate Program	311033 Steam Trap Replacement - Commercial/Other		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	82	0.00	0.00	139.00	\$223.00	0.96	15	3.00		\$300.00
S023507	EXF4-Express Efficiency Rebate Program	311033 Steam Trap Replacement - Commercial/Other		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	72	0.00	0.00	139.00	\$223.00	0.96	15	22.00		\$2,200.00
S023507	EXF4-Express Efficiency Rebate Program	311033 Steam Trap Replacement - Commercial/Other		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	81	0.00	0.00	139.00	\$223.00	0.96	15	10,265.00		\$1,010,90.79
S023507	EXF4-Express Efficiency Rebate Program	311033 Steam Trap Replacement - Commercial/Other		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	82	0.00	0.00	139.00	\$223.00	0.96	15	9.00		\$900.00
S023507	EXF4-Express Efficiency Rebate Program	311033 Steam Trap Replacement - Commercial/Other		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	42	0.00	0.00	139.00	\$223.00	0.96	15	30.00		\$3,000.00
S023507	EXF4-Express Efficiency Rebate Program	311033 Steam Trap Replacement - Commercial/Other		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	31	0.00	0.00	2,442.00	\$2,442.00	0.96	15	2,442.00		\$244,200.00
S023507	EXF4-Express Efficiency Rebate Program	311033 Steam Trap Replacement - Commercial/Other		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	32	0.00	0.00	2,442.00	\$2,442.00	0.96	15	360.00		\$36,000.00
S023507	EXF4-Express Efficiency Rebate Program	311035 Steam Trap Replacement - Industrial > 50hp		D03-951	RPM00AVC373D	Unit	Other	Commercial	33	0.00	0.00	2,442.00	\$2,442.00	0.96	15	168.00		\$16,800.00
S023507	EXF4-Express Efficiency Rebate Program	311035 Steam Trap Replacement - Industrial > 50hp		D03-951	RPM00AVC373D	Unit	Other	Commercial	33	0.00	0.00	2,442.00	\$2,442.00	0.96	15	168.00		\$16,800.00
S023510	MRF4-Multi-Family Rebate Program	312002 Natural Gas Storage Water Heater (EF= 0.62)		D03-938	RPM10AVH473	Hot Water Tank per 38 Blurb	Appliances	Multi Family	NA	0.00	0.00	10.38	\$175.30	0.89	13	57.00		\$1,710.00
S023510	MRF4-Multi-Family Rebate Program	312003 Central Gas Furnace 90% AFUE		D03-410	Average of DEER Measures	Unit	Appliances	Multi Family	NA	0.00	0.00	22.38	\$253.08	0.89	18	11.00		\$2,200.00
S023510	MRF4-Multi-Family Rebate Program	312004 Attic Insulation		D03-422	Average of DEER Measures	Unit	HVAC	Multi Family	NA	0.16	0.00	0.06	\$9.76	0.89	20	28.114.00		\$3,767.10
S023510	MRF4-Multi-Family Rebate Program	312005 Wall Insulation		D03-438	RPM10759W413	Unit	HVAC	Multi Family	NA	0.10	0.00	0.05	\$1.32	0.89	20	1,168.00		\$175.20
S023510	MRF4-Multi-Family Rebate Program	312008 Central System Natural Gas Water Heater		D03-951	RPM10759W413	Unit	Appliances	Multi Family	NA	0.00	0.00	257.00	\$1,701.00	0.89	15	214.00		\$107,000.00
S023510	MRF4-Multi-Family Rebate Program	312009 Central System Gas Boiler Water Heating Only		D03-951	RPM10759W413	Unit	Appliances	Multi Family	NA	0.00	0.00	750.00	\$4,060.00	0.89	20	101.00		\$151,000.00
S023510	MRF4-Multi-Family Rebate Program	312010 Central System Gas Boiler Space and Water Heating		D03-951	RPM10759W413	Unit	Appliances	Multi Family	NA	0.00	0.00	1,900.00	\$1,900.00	0.89	20	6.00		\$9,000.00
S023510	MRF4-Multi-Family Rebate Program	312012 Gas WH Compressor (C30 units) Pre 1970 Digital		D03-951	RPM10759W413	Unit	Appliances	Multi Family	NA	0.00	0.00	1,126.00	\$1,400.00	0.89	10	6.00		\$4,000.00
S023510	MRF4-Multi-Family Rebate Program	312012 Gas WH Compressor (C30 units) Post 1970 Digital		D03-951	RPM10759W413	Unit	Appliances	Multi Family	NA	0.00	0.00	1,126.00	\$1,400.00	0.89	10	6.00		\$4,000.00
S023510	MRF4-Multi-Family Rebate Program	312015 Gas WH Compressor (C30 units) Post 1970 Digital		D03-951	RPM10759W413	Unit	Appliances	Multi Family	NA	0.00	0.00	850.00	\$1,400.00	0.89	10	58.00		\$43,900.20
S023510	MRF4-Multi-Family Rebate Program	Coolies Washer Energy Star Tier II MEF = 1.80 (In Coin-Op Laundry)		D03-960	RPM00AVC373D	Coolies Washer, 1000 sq ft roof.	Appliances	Multi Family	NA	0.00	0.00	101.77	\$893.00	0.8	10	10.00		\$1,000.00
S023510	MRF4-Multi-Family Rebate Program	312021 Energy Star Dishwasher Tier I (EF= 62)		D03-953	RPM00AVD160	Dishwasher, 1000 sq ft roof.	Appliances	Multi Family	NA	0.00	0.00	3.90	\$183.64	0.8	13	1.00		\$120.00
S023510	MRF4-Multi-Family Rebate Program	312022 Energy Star Dishwasher Tier II (EF= 68+)		D03-953	RPM00AVD160	Dishwasher, 1000 sq ft roof.	Appliances	Multi Family	NA	0.00	0.00	4.90	\$393.64	0.8	13	1.00		\$50.00
S023510	MRF4-Multi-Family Rebate Program	Coolies Washer Energy Star Tier II MEF = 1.80 (In Coin-Op Laundry)		D03-961	RPM00AVC373D	Coolies Washer, 1000 sq ft roof.	Appliances	Multi Family	NA	0.00	0.00	35.40	\$518.78	0.8	10	8.00		\$1,200.00
S023510	MRF4-Multi-Family Rebate Program	312023 Gas WH Compressor (C30 units) Post 1970 Digital		D03-961	RPM00AVC373D	Unit	Appliances	Multi Family	NA	0.00	0.00	1,088.00	\$1,500.00	0.82	10	304.00		\$420,000.00
S023512	NEVS-Savings By Design, S03 Multi Program	314001 EER Connection Oven		D03-951	RPM00AVC373D	Unit	HVAC	Commercial	44	0.00	0.00	323.00	\$3,144.00	1	12	1.00		\$55,800.00
S023513	MRF4-Local Business Energy Efficiency Program	314001 EER Connection Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	72	0.00	0.00	323.00	\$3,144.00	1	12	2.00		\$12,800.20
S023513	MRF4-Local Business Energy Efficiency Program	314001 EER Connection Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	71	0.00	0.00	323.00	\$3,144.00	1	12	2.00		\$12,800.20
S023513	MRF4-Local Business Energy Efficiency Program	314001 EER Connection Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	33	0.00	0.00	323.00	\$3,144.00	1	12	2.00		\$12,800.20
S023513	MRF4-Local Business Energy Efficiency Program	314001 EER Connection Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	31	0.00	0.00	323.00	\$3,144.00	1	12	1.00		\$500.00
S023513	MRF4-Local Business Energy Efficiency Program	314001 EER Connection Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	11	0.00	0.00	323.00	\$3,144.00	1	12	4.00		\$2,000.00
S023513	MRF4-Local Business Energy Efficiency Program	314001 EER Connection Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	62	0.00	0.00	323.00	\$3,144.00	1	12	4.00		\$2,000.00
S023513	MRF4-Local Business Energy Efficiency Program	314003 EER Griddle		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	72	0.00	0.00	88.00	\$4,672.00	1	12	5.00		\$625.00
S023513	MRF4-Local Business Energy Efficiency Program	314003 EER Fryer - High Effic. Unit		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	71	0.00	0.00	88.00	\$4,672.00	1	12	5.00		\$625.00
S023513	MRF4-Local Business Energy Efficiency Program	314008 EER High Effic. Unit		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	72	0.00	0.00	595.00	\$3,758.00	1	12	6.00		\$331.00
S023513	MRF4-Local Business Energy Efficiency Program	314008 PER Furnace Replacement		D03-951	RPM00AVC373D	Unit	HVAC	Commercial	33	0.00	0.00	1.00	\$4.00	0.8	20	58,520.00		\$55,729.20
S023513	MRF4-Local Business Energy Efficiency Program	314010 PER Oven Replacement		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	33	0.00	0.00	1.00	\$15.97	0.8	20	14,435.00		\$11,448.00
S023513	MRF4-Local Business Energy Efficiency Program	314011 OPT Heat Recovery		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	31	0.00	0.00	1.00	\$9.95	0.8	20	20,552.00		\$95,899.54
S023513	MRF4-Local Business Energy Efficiency Program	314011 OPT Heat Recovery		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	54	0.00	0.00	1.00	\$9.95	0.8	20	10,147.00		\$6,254.49
S023513	MRF4-Local Business Energy Efficiency Program	314012 PER MISC. Process Equip. Replacement		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	31	0.00	0.00	1.00	\$6.47	0.8	20	20,201.60		\$13,712.70
S023513	MRF4-Local Business Energy Efficiency Program	314012 PER MISC. Process Equip. Replacement		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	33	0.00	0.00	1.00	\$6.47	0.8	20	20,201.60		\$13,712.70
S023513	MRF4-Local Business Energy Efficiency Program	314012 PER MISC. Process Equip. Replacement		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	72	0.00	0.00	1.00	\$6.47	0.8	20	8,891.00		\$4,712.80
S023513	MRF4-Local Business Energy Efficiency Program	314013 OPT Equip. Modernization		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	81	0.00	0.00	1.00	\$5.47	0.8	20	71,056.00		\$96,016.25
S023513	MRF4-Local Business Energy Efficiency Program	314013 OPT Equip. Modernization		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	72	0.00	0.00	1.00	\$5.47	0.8	20	29,482.00		\$6,600.00
S023513	MRF4-Local Business Energy Efficiency Program	314013 OPT Equip. Modernization		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	31	0.00	0.00	1.00	\$5.47	0.8	20	15,070.00		\$2,074.50
S023513	MRF4-Local Business Energy Efficiency Program	314013 OPT Equip. Modernization		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	32	0.00	0.00	1.00	\$5.47	0.8	20	461,183.00		\$45,986.40
S023513	MRF4-Local Business Energy Efficiency Program	314013 OPT Equip. Modernization		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	31	0.00	0.00	1.00	\$6.88	0.8	20	250,334.00		\$58,916.17
S023513	MRF4-Local Business Energy Efficiency Program	314013 OPT Equip. Modernization		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	11	0.00	0.00	1.00	\$6.88	0.8	20	124,424.00		\$26,411.90
S023513	MRF4-Local Business Energy Efficiency Program	314013 OPT Equip. Modernization		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	92	0.00	0.00	1.00	\$6.88	0.8	20	69,654.00		\$25,000.00
S023513	MRF4-Local Business Energy Efficiency Program	314014 PER Engine Recupol/Replacement		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	11	0.00	0.00	1.00	\$11.48	0.8	15	2,577.00		\$2,034.52
S023513	MRF4-Local Business Energy Efficiency Program	314014 PER Engine Recupol/Replacement		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	33	0.00	0.00	403.00	\$21,707.00	0.8	12	3,582.00		\$760.00
S023513	MRF4-Local Business Energy Efficiency Program	314016 EER Combination Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	44	0.00	0.00	403.00	\$21,707.00	1	12	42.00		\$31,000.00
S023513	MRF4-Local Business Energy Efficiency Program	314016 EER Combination Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	62	0.00	0.00	403.00	\$21,707.00	1	12	1.00		\$750.00
S023513	MRF4-Local Business Energy Efficiency Program	314016 EER Combination Oven		D03-951	RPM00AVC373D	Unit	Proteas	Commercial	72	0.00	0.00	403.00	\$21,707.00	1	12	1.00		\$750.00
S023513	MRF4-Local Business Energy Efficiency Program	314024 Grant (SPC Equivalent Measure)		D03-420	Average of DEER Measures	Unit	HVAC	Commercial	32	0.00	0.00	1.00	\$4.61	0.8	15	665,465.00		\$409,605.50
S023513	MRF4-Local Business Energy Efficiency Program	314024 Grant (SPC Equivalent Measure)		D03-420	Average of DEER Measures	Unit	HVAC	Commercial	32	0.00	0.00	1.00	\$4.61	0.8	15	229,500.00		\$149,000.00
S023513	MRF4-Local Business Energy Efficiency Program	314046 EER Cooler/Steamer Unit		D03-438	RPM10759W413	Unit	Proteas	Commercial	71	0.00	0.00	8.07	\$11.11	0.8	20	240.00		\$170.00
S023513	MRF4-Local Business Energy Efficiency Program	314050 PER Boiler Replacement		D03-951	RPM10759W413	Unit	HVAC	Commercial	11	0.00	0.00	1.00	\$2.44	1	20	38,890.00		\$16,805.20
S023517	SFR4-Homs Efficiency Rebate Program	315002 Gas Storage Water Heater (EF= 0.62)		D03-938	RPM10AVH473	Hot Water Tank per 38 Blurb	Appliances	Single Family	NA	0.00	0.00	11.22	\$175.30	0.89	13	1,412.00		\$42,800.00
S023517	SFR4-Homs Efficiency Rebate Program	315003 Central Gas Furnace 90% AFUE		D03-410	Average of DEER Measures	Unit	HVAC	Single Family	NA	0.00	0.00	34.96	\$479.52	0.89	18	6.00		\$6,400.00
S023517	SFR4-Homs Efficiency Rebate Program	315004 Wall Insulation		D03-422	Average of DEER Measures	Unit	HVAC	Single Family	NA	0.16	0.00	0.06	\$9.76	0.89	20	2,810.200.00		\$409,524.40
S023517	SFR4-Homs Efficiency Rebate Program	315005 Wall Insulation		D03-438	RPM10759W413	Unit	HVAC	Single Family	NA	0.10	0.00	0.05	\$1.32	0.89	20	1,170.980.00		\$176,988.35
S023517	SFR4-Homs Efficiency Rebate Program	315008 Energy Star Labeled Dishwasher Tier I EF= 62		D03-952	RPM00AVD160	Dishwasher, 1000 sq ft roof.	Appliances	Single Family	NA	0.00	0.00	5.30	\$153.64	0.8	13	5,558.00		\$160,740.00

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Table 2: Quarterly Energy Efficiency Measure Results

Program ID	Program Name	Measure Name	Measure Description	DEER Measure ID	DEER Run ID	Unit Definition	End Use	Market Sector	Market Segment	Gross Electric Energy Savings (kWh)	Gross Peak Demand Reduction (kW)	Gross Gas Energy Savings (therms)	Gross Incremental Measure Cost (\$)	Net-to-Gross Ratio	Effective Useful Life (years)	Units Installed	Units Committed	Rebate Amount Paid
SO23517	SFR4-Home Efficiency Rebate Program	315008 Clothes Washer Tier I		DO2-949	IRRUC00AC3T1D	Clothes Washer	Appliances		NA	0.00	0.00	19.65	\$246.14	0.8	14	15,255.00		\$533,965.00
SO23517	SFR4-Home Efficiency Rebate Program	315014 Central Gas Furnace 92% AFUE		DO2-411	Average of DEER	72 MBtu unit	HVAC		NA	0.00	0.00	40.18	\$549.36	0.89	18	1,137.00		\$227,400.00
SO23517	SFR4-Home Efficiency Rebate Program	315016 Faucet Aerator		DO2-411	RSPM10A0WHEau	Household	Appliances		NA	0.00	0.00	6.73	\$7.12	0.89	9	200.00		\$455.00
SO23517	SFR4-Home Efficiency Rebate Program	315024 2005 Canyon - Programmable Thermostat		DO2-934		Thermostat	HVAC		NA	168.60	0.00	92.30	\$58.00	0.89	12	736.00		\$7,360.00
SO23517	SFR4-Home Efficiency Rebate Program	315025 2005 Canyon - Gas Storage Water Heater (EP= 6.82)				Water Heater	Water Heating		NA	0.00	0.00	13.00	\$55.00	0.89	15	124.00		\$3,720.00
SO23517	SFR4-Home Efficiency Rebate Program	315026 2005 Canyon - Central Gas Furnace >= 90% AFUE				Furnace	HVAC		NA	0.00	0.00	32.50	\$5,550.00	0.89	20	143.00		\$28,600.00
SO23517	SFR4-Home Efficiency Rebate Program	315027 2005 Canyon - Water Insulation				Water Insulation	HVAC		NA	0.00	0.00	0.12	\$0.80	0.89	20	960.00		\$15,360.00
SO23517	SFR4-Home Efficiency Rebate Program	315029 2005 Canyon - Wall Insulation				W. Ins.	HVAC		NA	0.26	0.00	0.12	\$0.80	0.89	20	904,960.00		\$15,344.00
SO23517	SFR4-Home Efficiency Rebate Program	315030 2005 Canyon - Energy Star Labeled Dishwasher				Dishwasher	Appliances		NA	52.00	0.00	16.00	\$102.00	0.8	10	561.00		\$16,600.00
SO23517	SFR4-Home Efficiency Rebate Program	315030 2005 Canyon - Clothes Washer Tier I				Washer	Appliances		NA	40.00	0.00	27.00	\$175.00	0.8	10	76.00		\$2,660.00
SO23517	SFR4-Home Efficiency Rebate Program	315031 2005 Canyon - Clothes Washer Tier II				Washer	Appliances		NA	48.00	0.00	43.00	\$200.00	0.8	10	1,022.00		\$76,650.00
SO23517	SFR4-Home Efficiency Rebate Program	315031 MF - Gas Clothes Washer				Washing Machine	Appliances		NA	0.00	0.00	79.00	\$425.00	0.8	10	316.00		\$41,238.00
SO23540	3P Laundry Co-op Program					Washing Machine	Process	Commercial	81	0.00	0.00	79.00	\$425.00	0.8	8	145.00		\$18,922.50
SO23540	3P Laundry Co-op Program	351002 NonRec Gas Clothes Washer				Washing Machine	Process	Commercial	81	0.00	0.00	79.00	\$425.00	0.8	15	1.00		\$29.50
SO23540	3P Laundry Co-op Program	351003 NonRec Gas Pipe Insulation				Pipe Insulation	Process	Commercial	81	0.00	0.00	9.00	\$39.33	0.8				

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Table 3: Quarterly Program Expenditures

Program ID	Program Name	Adopted Program Budget (3 - Yr)	Program Operating Budget (3 - Yr)	Administrative Costs	Marketing/ Advertising/ Outreach Costs	Direct Implementation Costs	Total Expenditures
SCG3533	3P Alliance Partners Program	\$ 3,270,000.00	\$ 3,505,276.76	\$ 25,113.88	\$ -	\$ 273,250.46	\$ 298,364.34
SCG3532	3P Chinese Language Efficiency Outreach Program	\$ 455,181.00	\$ 456,851.17	\$ 22,359.50	\$ -	\$ 7,071.17	\$ 29,430.67
SCG3536	3P CVRP	\$ 1,290,000.00	\$ 876,113.76	\$ 10,681.79	\$ -	\$ -	\$ 10,681.79
SCG3537	3P Designed for Comfort	\$ 1,123,133.00	\$ 1,358,409.76	\$ 20,301.43	\$ 208,008.90	\$ 5,717.69	\$ 234,028.02
SCG3529	3P Energy Efficiency Kiosk Pilot Program	\$ 900,000.00	\$ 736,851.17	\$ 41,802.01	\$ 309,005.39	\$ 5,072.30	\$ 355,879.70
SCG3538	3P Gas Cooling Upgrade	\$ 944,582.00	\$ 1,101,433.17	\$ 21,025.01	\$ -	\$ 87,549.33	\$ 108,574.34
SCG3540	3P Laundry Coin-op Program	\$ 7,707,056.00	\$ 5,835,447.76	\$ 20,928.20	\$ 77,404.00	\$ 60,190.00	\$ 158,522.20
SCG3534	3P LivingWise	\$ 985,500.00	\$ 1,220,776.76	\$ 8,424.18	\$ -	\$ 5,384.30	\$ 13,808.48
SCG3539	3P Manufactured Mobile Home Program	\$ 4,572,000.00	\$ 4,728,851.17	\$ 4,975.28	\$ -	\$ 5,717.70	\$ 10,692.98
SCG3531	3P PACE Energy Efficient Ethnic Outreach Program	\$ 2,915,629.00	\$ 3,072,480.17	\$ 35,561.05	\$ 8,378.00	\$ 129,350.30	\$ 173,289.35
SCG3530	3P Portfolio of the Future	\$ 2,905,000.00	\$ 3,140,276.76	\$ 24,425.85	\$ -	\$ 247,294.23	\$ 271,720.08
SCG3541	3P Upstream/Midstream Gas Heat	\$ 6,019,189.00	\$ -	\$ 4,625.73	\$ -	\$ -	\$ 4,625.73
SCG3535	3P VESM Advantage	\$ 1,935,000.00	\$ 2,128,051.17	\$ 119,054.50	\$ -	\$ 3,387.98	\$ 122,442.48
SCG3523	BKP4-Bakersfield Kern Partnership	\$ 750,000.00	\$ 735,134.30	\$ 17,000.44	\$ -	\$ -	\$ 17,000.44
SCG3518	CP4-IOU/Community College Partnership	\$ 2,000,000.00	\$ 1,960,360.92	\$ 35,327.88	\$ 98.00	\$ 12,841.02	\$ 48,266.90
SCG3519	CD04-CA Department of Corrections Partnership	\$ 631,000.00	\$ 618,494.45	\$ 15,516.29	\$ -	\$ 3,276.84	\$ 18,793.13
SCG3501	CS4-Codes & Standards Program	\$ 900,000.00	\$ 882,161.51	\$ 19,535.54	\$ -	\$ 83,513.12	\$ 103,048.66
SCG3526	CUM4-California Urban Water Conservation Council	\$ 1,299,000.00	\$ 1,273,247.47	\$ 13,136.34	\$ -	\$ -	\$ 13,136.34
SCG3525	EC4-Energy Coalition - Direct Install	\$ 456,000.00	\$ 446,961.65	\$ 16,968.35	\$ -	\$ -	\$ 16,968.35
SCG3524	EC5-Energy Coalition - Peak	\$ 1,374,000.00	\$ 1,346,766.04	\$ 44,420.93	\$ 55.00	\$ 15,873.70	\$ 60,349.63
SCG3502	EED4-Advanced Home Program	\$ 8,750,000.00	\$ 8,579,843.54	\$ 254,703.57	\$ 215,325.84	\$ 914,791.28	\$ 1,384,820.70
SCG3503	EET4-Education & Training Program	\$ 6,450,000.00	\$ 6,323,690.72	\$ 268,013.59	\$ 6,604.10	\$ 1,263,991.18	\$ 1,538,608.87
SCG3504	EM04-Energy Efficiency Delivery Channel Innovation Prog	\$ 3,000,000.00	\$ 2,940,536.96	\$ 51,185.93	\$ 332,863.43	\$ 100,827.93	\$ 484,877.29
SCG3506	ETP4-Emerging Tech Program	\$ 3,000,000.00	\$ 2,940,537.18	\$ 119,583.53	\$ 7,500.00	\$ 212,029.37	\$ 339,112.89
SCG3507	EXP4-Express Efficiency Rebate Program	\$ 22,101,237.00	\$ 21,673,195.03	\$ 643,381.28	\$ 1,092,735.07	\$ 2,399,653.05	\$ 4,135,769.41
SCG3509	HES4-Home Energy Efficiency Survey	\$ 1,900,000.00	\$ 1,862,569.13	\$ 84,853.69	\$ 146,697.51	\$ 106,490.98	\$ 338,042.18
SCG3527	LAP4-Los Angeles County partnership	\$ 1,500,000.00	\$ 1,470,268.60	\$ 36,894.68	\$ -	\$ -	\$ 36,894.68
SCG3510	MFR4-Multi-Family Rebate Program	\$ 9,500,000.00	\$ 9,315,899.67	\$ 207,545.86	\$ 38,113.67	\$ 931,588.92	\$ 1,177,248.45
SCG3511	NEW4-Savings By Design SCG SCE Program	\$ 7,500,000.00	\$ 7,356,475.11	\$ 159,646.10	\$ 115,165.37	\$ 281,388.96	\$ 556,200.44
SCG3512	NEW5-Savings By Design SCG Muni Program	\$ 3,000,000.00	\$ 2,940,536.90	\$ 56,747.02	\$ 39,100.21	\$ 210,536.85	\$ 306,384.08
SCG3513	NRF4-Local Business Energy Efficiency Program	\$ 26,846,940.00	\$ 26,328,586.39	\$ 841,413.30	\$ 325,154.45	\$ 2,361,713.56	\$ 3,528,281.31
SCG3514	OBF4-On-Bill Financing for Energy Efficiency Equipment	\$ 3,750,000.00	\$ 3,675,672.00	\$ 263,549.98	\$ -	\$ -	\$ 263,549.98
SCG3528	RCX4-RCx Partnership with SCE	\$ 150,000.00	\$ 147,028.01	\$ 23.57	\$ -	\$ 442.65	\$ 466.22
SCG3522	SBP4-South Bay Partnership	\$ 360,000.00	\$ 352,864.46	\$ 160,199.80	\$ 36,853.17	\$ (36,693.77)	\$ 160,359.20
SCG3516	SCD4-Sustainable Communities Demo/City of Santa Monica	\$ 900,000.00	\$ 882,161.16	\$ 4.00	\$ -	\$ -	\$ 4.00
SCG3517	SFR4-Home Efficiency Rebate Program	\$ 19,500,000.00	\$ 19,124,553.20	\$ 351,875.62	\$ 146,706.09	\$ 2,329,083.01	\$ 2,827,664.72
SCG3520	UCP4-IOU/UCSU Partnership	\$ 3,060,000.00	\$ 2,999,348.33	\$ 256,483.19	\$ -	\$ 110,578.96	\$ 367,062.15
SCG3521	VCP4-Ventura County Partnership	\$ 420,000.00	\$ 411,675.20	\$ 62,081.47	\$ 82,876.51	\$ 70,264.86	\$ 215,222.84
	Total Portfolio	\$ 164,120,447.00	\$ 154,749,387.52	\$ 4,339,370.36	\$ 3,188,644.72	\$ 12,202,177.95	\$ 19,730,193.02

Southern California Gas Company
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Table 4.1: GBI Goal and Results

	Expenditures (\$)	Summer Peak (kW, net)		Energy Savings (kWh, net)		Gas Savings (Net Annual Therms)	
		kW Installed		kWh Installed		Therms Installed	
State Buildings Only							
Quarterly Totals	\$6,670					9,474	
Current Program Cycle	\$8,245					12,147	
Total Since Inception	\$129,022					137,242	
2006-2008 Utility Target	\$154,843					208,390	
2006-2008 Utility Target: % Fulfilled	5%					6%	
Commercial Buildings Only							
Quarterly Totals	\$1,072,901					1,427,778	
Current Program Cycle	\$1,369,391					1,750,691	
Total Since Inception	\$3,422,473					3,877,175	
2006-2008 Utility Target	\$2,632,175					3,542,407	
2006-2008 Utility Target: % Fulfilled	52%					49%	
Other Public Buildings Only							
Quarterly Totals	\$40,120					66,949	
Current Program Cycle	\$51,946					80,401	
Total Since Inception	\$2,246,084					2,352,984	
2006-2008 Utility Target	\$2,813,017					3,785,786	
2006-2008 Utility Target: % Fulfilled	2%					2%	
Commercial & Institutional							
Quarterly Totals	\$1,119,691					1,504,201	
Current Program Cycle	\$1,429,583					1,843,240	
Total Since Inception	\$5,797,579					6,367,402	
2006-2008 Utility Target	\$5,600,035					7,536,583	
2006-2008 Utility Target: % Fulfilled	26%					24%	

Southern California Gas Company
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Table 4.2: GBI Results by NAICS Code

Commercial & Institutional Buildings	Square Footage		Summer Peak (kW, net)		Energy Savings (kWh, net)		Gas Savings (Net Annual Therms)	
	Total Installed (inception to date)	Total Installed (Report Quarter)	Total Installed (inception to date)	Total Installed (Report Quarter)	Total Installed (inception to date)	Total Installed (Report Quarter)	Total Installed (inception to date)	Total Installed (Report Quarter)
Nonresidential								
42		-	-	-	-	-	24,465	11,722
44		-	-	-	-	-	49,938	11,284
45		-	-	-	-	-	-	-
49		-	-	-	-	-	52,475	-
51		-	-	-	-	-	5,222	-
52		-	-	-	-	-	7,240	3,285
53		-	-	-	-	-	6,790	-
54		-	-	-	-	-	19,980	8,667
55		-	-	-	-	-	-	-
56		-	-	-	-	-	13,023	-
61		-	-	-	-	-	152,914	23,900
62		-	-	-	-	-	63,337	2,652
71		-	-	-	-	-	48,785	4,224
72		-	-	-	-	-	295,791	62,182
81		-	-	-	-	-	5,507,590	1,319,806
92		-	-	-	-	-	119,851	56,479
Total			-	-	-	-	6,367,402	1,504,201

Table 4.3: GBI Results by End Use Classification

Total	Square Footage		Summer Peak (kW, net)		Energy Savings (kWh, net)		Gas Savings (Net Annual Therms)	
	Total Installed (inception to date)	Total Installed (Report Quarter)	Total Installed (inception to date)	Total Installed (Report Quarter)	Total Installed (inception to date)	Total Installed (Report Quarter)	Total Installed (inception to date)	Total Installed (Report Quarter)
Nonresidential								
HVAC		-	-	-	-	-	-	-
Lighting		-	-	-	-	-	-	-
Office		-	-	-	-	-	-	-
Process		-	-	-	-	-	6,105,433	1,447,993
Refrigeration		-	-	-	-	-	-	-
Other		-	-	-	-	-	261,969	56,208
Total			-	-	-	-	6,367,402	1,504,201

Quarter Ending December 2006

Table 3: Quarterly EM&V Expenditures

1st Q 2006
2nd Q 2006
3rd Q 2006
4th Q 2006

CERTIFICATE OF SERVICE

I hereby certify that a copy of **SOUTHERN CALIFORNIA GAS COMPANY ENERGY EFFICIENCY ANNUAL REPORT 2006 RESULTS** has been electronically mailed to each party of record on the service list in R.06-04-010. Any party on the service list who has not provided an electronic mail address was served by placing a copy of a Notice of Availability in properly addressed and sealed envelopes and depositing such envelopes in the United States Mail with first-class postage prepaid.

Copies were also sent via Federal Express to Commissioner Dian Grueneich and the Assigned Administrative Law Judges, Kim Malcolm, David M. Gamson, Meg Gottstein, and Steven A. Weissman.

Executed this 15th day of November 2007 at San Diego, California

/s/ Jodi Ostrander
Jodi Ostrander